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2010

TOWN OF LITCHFIELD NEW HAMPSHIRE



ANNUAL REPORTS

for

2010

TOWN OF LITCHFIELD NEW HAMPSHIRE



Annual Reports

Year ending December 31, 2010

also

Annual Report of the School District

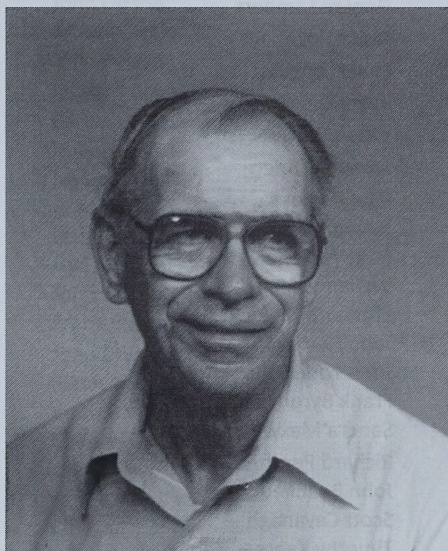
Year ending June 30, 2010



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**DEDICATED TO THE MEMORY
OF
WILLIS JEWETT**



The Board of Selectmen has dedicated the 2010 Annual Report to the memory of Willis "Will" Jewett. Will represents the best in Litchfield's citizen volunteers who give of their expertise and time to the betterment of the Town and our Country. Will's citizen service commenced with a US Navy career spanning 27 years and included service in Vietnam. Upon retirement from the Navy, Will held many positions in Litchfield's Town government serving on the Planning Board for 21 years as well as representing the Town as a member of the Nashua Regional Planning Commission and the Merrimack River Watershed Council for 4 years and 6 years respectively. When not serving Town government, he could always be found helping out groups like the Share Food Distribution, Town Cleanup Day and is remembered for his participation in the Town's Memorial Day Services wreath laying ceremony. Will Jewett was a valued member of our community and will be missed by all whose lives he touched.



TOWN OFFICERS

OFFICE:	OFFICE HOLDER as of 12/31/10:	TERM EXPIRES:
Moderator:	John Regan	2012
Asst. Moderator (Town & School)	Philip M. Reed	2012
Selectmen:	Frank A. Byron	2011
	M. Patricia Jewett	2011
	Steve Perry	2012
	John R. Brunelle	2013
	George Lambert	2013
Town Administrator	Jason Hoch	
Office Manager:	Linda Langille	
Code Enforcement Officer:	Kevin Lynch	
Director of Library Services	Vicki L. Varick	
Police Chief:	Joseph O'Brien	Tenure
Budget Committee:	Paul Parker	2011
	Raymond Peeples	2011
	Mike Falzone	2012
	William Spencer	2012
	Elizabeth Miller	2013
	John Harte	2013
	John York, School Rep.	
	Frank Byron, Selectmen Rep.	
	Sandra Maxwell, Secretary	
Cable Advisory Committee	Richard Pentheny - Chairman	2010
Alternate	John Beaulieu	2010
	Scott Cavanagh	2010
	Timothy Kearns	2010
	Cynthia Couture	2010
	Brian Maillet	2011
Alternate	Ken Stiouphile	2011
Cemetery Association Trustees	Jennifer L. Sperberg	2011
	Steven P. Calawa	2012
	Warren W. Adams	2013
Checklist Supervisors:	Shirley Reed	2012
	Christine Lepine	2013
	Robert Redding	2016
Conservation Commission:	Thomas W. Levesque, Sr.,	2011
	Joan McKibben	2011
	Roger St. Laurent, Jr.	2012
	Sharon Jones	2012
	Marion A. Godzik	2012
	Richard Husband	2012
Alternate	Stephen Tarara	2011
Alternate	Michael Croteau	2011
Fire Chief:	Thomas Schofield	2013
Forest Fire Warden	Thomas Schofield	2013



TOWN OFFICERS (Continued)

OFFICE:	OFFICE HOLDER as of 12/31/10:	TERM EXPIRES:
Health Officer:	Kevin Lynch	8/13/2012
Library Trustees:	Aimee Carignan, Chairman	2011
	Diane L. Jerry	2011
	Gail Musco - Vice Chairman	2012
	Lynne Clifford	2013
	Kristin Robert - Secretary	2013
Mosquito District Commission	John Latsha	2010
	Alfred Raccio	2011
	John Poulos	2012
Planning Board:	Edward Almeida	2011
	Carlos Fuertes	2011
	Robert Curtis	2012
	Jayson Brennen	2012
	Barry Bean	2012
	Leon Barry	2013
	Joel A. Kapelson	2013
Alternate	John Miller	2012
	Frank Byron, Selectmen Rep.	
Recreation Commission:	John Bryant	2011
	Sandy Vance	2011
	Keith Buxton	2012
	Colleen Gamache	2012
	Jason Allen	2013
	Andrew Collins	2013
	Elizabeth Darling	2013
	M. Patricia Jewett, Selectmen Rep.	
Road Agent:	John Pinciaro	2011
So. NH Regional Plann. Comm.	M. Patricia Jewett	
Town Clerk/Tax Collector:	Theresa L. Briand	2011
Deputy Town Clerk/Tax Col.:	Patricia A. Textor	2011
Treasurer:	Sharon Harding Reed	2011
Deputy Treasurer	Debra Hogencamp	2011
Trustees, Town Trust Funds:	Mark Mosnicka	2011
	Maureen Lascelles	2012
	Michael Falzone	2013
Zoning Board of Adjustment:	John Regan	2011
	Eric Cushing	2012
	Laura Gandia - Vice Chairman	2012
	Richard Riley, Jr. Chairman	2013
	Albert Guilbeault	2013
	John Brunelle-Clerk	Resigned
Alternate	Gregory Lepine	2012
Alternate	John R. Devereaux	2013



2010 TOWN OFFICERS AND EMPLOYEE EARNINGS

SELECTMEN'S OFFICE (The secretarial and clerical personnel also serve as staff to the Building, Health, and Highway Departments, Zoning Board and various committees)	Bryon, Frank A.	1,915.29	
	Jewett, M. Patricia	1,915.29	
	Lambert, George A.	1,915.29	
	Perry, Steve	1,915.29	
	Brunelle, John	1,519.29	
	Santom, Andrew	396.00	
	Hoch, Jason	30,289.95	
	Langille, Linda	60,970.40	
	Brodeur, Theresa	44,910.45	
	Dogopoulos, Lorraine	42,663.16	
	White, Karen	<u>12,395.87</u>	
Total Selectmen's Office			200,806.28
TOWN CLERK/TAX COLLECTOR'S OFFICE	Briand, Theresa L.	56,472.80	
	Textor, Patricia A.	40,319.77	
	Croteau, Claire L.	<u>28,726.65</u>	
Total Town Clerk/Tax Collector's Office			125,519.22
TOWN TREASURER	Harding Reed, Sharon	6,417.37	6,417.37
TRUSTEES OF TRUST FUNDS	Lascelles, Maureen	87.64	
	Peeples, Linda L.	<u>21.67</u>	
Total Trustees of Trust Funds			109.31
VOTER REGISTRATION & ELECTIONS	Lepine, Christine E.	327.03	
	Redding, Robert M.	327.03	
	Reed, Shirley-Ann	327.03	
	Regan, John G	527.44	
	Reed, Philip M.	476.19	
	Briand, Leo T.	28.65	
	Byron, Michael	19.10	
	Coughlin, Donna	131.31	
	Delano, Molly	18.82	
	Falzone, Michael	65.97	
	Jones, Sharon	413.37	
	Mieckowski, Bertha	467.58	
	Pinciario, Nancy L.	138.48	
	Regan, Patricia	<u>415.85</u>	
Total Voter Registration & Elections			3,683.85



2010 TOWN OFFICERS AND EMPLOYEE EARNINGS

(continued)

TOWN AND TALENT HALL, LIBRARY	Wonson, Arthur R.	4,046.17	
CUSTODIANS AND GROUNDSKEEPERS	Arria, Roy	<u>4,361.02</u>	
Total Custodians & Groundskeepers			8,407.19
PLANNING BOARD	McKibben, Joan A.	19,635.76	19,635.76
POLICE DEPARTMENT	O'Brien Jr., Joseph E.	77,530.40	
<i>Does not include Special Detail</i>	Millette, Gerard A.	71,461.88	
<i>Includes uniform allowance</i>	Brown, Anthony P.	52,690.96	
	Costa, Jeffrey S.	72,389.69	
	Donnelly, David A.	74,845.95	
	Gott, Gary L.	73,966.21	
	Hartley III, Russell	68,010.83	
	LaPorte, Jeffrey W.	36,632.00	
	O'Donaghue, Timothy	37,130.02	
	Savage, Heath H.	73,132.91	
	Whelan, Daniel B.	23,897.57	
	Bennett, Robert D.	13,538.13	
	Corl, Michael T.	33,939.79	
	Harris, Steve P.	3,051.59	
	Houle, Michael R.	17,039.10	
	Lamy, Raymond	262.75	
	Tessier Jr., Dennis	44,231.39	
	Besette, Carol A.	43,045.61	
	Diviny, Paul J.	15,234.07	
	Baril, Andrea	<u>27,970.12</u>	
Total Police Department			860,000.97
FIRE DEPARTMENT	Schofield, Thomas B.	28,632.15	
<i>Does not include Special Detail</i>	Nicoll, Douglas M.	68,053.76	
	Rea Jr., James E.	43,510.08	
	Adams, Warren W.	48.24	
	Allard, Paul	5,933.59	
	Bavaro, James T.	405.12	
	Bourque, Kevin C.	9,508.17	
	Croteau, Michael G.	4,108.58	
	Desmond Jr., Robert	9,768.87	
	Dube, Steven W	<u>3,933.97</u>	



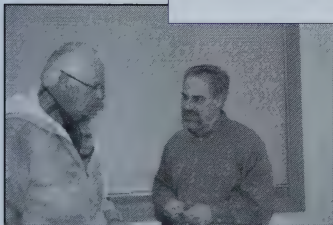
2010 TOWN OFFICERS AND EMPLOYEE EARNINGS (continued)

FIRE DEPARTMENT (continued)	Earle, Derek	12,967.36	
	Farnham, Edward D.	1,981.68	
	Garand, Pierre J.	2,104.12	
	Gaumont, Glenn G.	6,673.46	
	Glancy, Edward C.	5,303.80	
	Goulet, Michael R.	7,822.48	
	Hallowell III, Bruce E	2,494.56	
	Hubbard, Jason	1,485.12	
	Jack III, Row W.	4,232.16	
	Kearns, Timothy F.	341.52	
	Lemay, Mark T.	555.68	
	McInerney, William	2,138.92	
	McLavey, Andrew	5,280.08	
	Morin, Corey L.	930.72	
	Newell, Jeffrey A.	4,728.72	
	<i>Includes Town Hall Custodian</i> Nicoll, Jason	7,428.18	
	Perrin III, Leslie	144.96	
	Pinard, Normand J.	551.76	
	Raccio, Daniel	1,893.12	
	Rafuse, Thomas W.	2,318.72	
	Ricard, Jason	1,724.64	
	Richardson, Timothy	7,721.86	
	Rumrill, Larry O.	1,413.84	
	Schofield, Brian	6,414.96	
	Schofield, Christopher	3,368.94	
	Smith, Kelly P.	2,415.12	
	Travis Jr., John F.	3,220.03	
	Welch II, Robert W.	1,187.69	
	Wright, Nicholas	2,378.10	
	Total Fire Department		275,124.83
	BUILDING DEPARTMENT		
	HEALTH OFFICER		
	Lynch, Kevin A	68,451.79	
	Gilcreast Jr., John	615.25	
	Total Building Department		69,067.04
	HIGHWAY DEPARTMENT		
	Pinciario, John	48,275.46	
	Fauteux, Gilles J.P.	8,982.16	
	Blundon, Leslie W.	15,531.78	
	Total Highway Department		72,789.40



2010 TOWN OFFICERS AND EMPLOYEE EARNINGS (continued)

SOLID WASTE DISPOSAL	Mellen, David L.	51,471.86	
	Worster, David E.	24,592.52	
	Marks, Alexander	5,866.89	
	Briggs, James D.	10,763.55	
	Morrell, David	7,470.85	
	Shafer, Mark	<u>985.77</u>	
Total Solid Waste Disposal			101,151.44
ANIMAL CONTROL OFFICER (includes mileage allowance)	Pilon, Gerald F.	13,097.90	13,097.90
LIBRARY	Varick, Vicki L.	49,207.05	
	Allen, Ada	614.71	
	Bois, Amy K.	3,280.13	
	Bois, Kelly E.	142.20	
	Crete, Leslie	4,022.99	
	Moody, Callista	9,450.23	
	Pace, Carrie-Anne	30,152.55	
	Paquette, Helena	3,683.92	
	Robinson, Alexandra	25,331.60	
	Santos, Jacqueline	912.24	
	Shafer, Caitlyn J.	<u>1,614.00</u>	
Total Library			<u>128,411.62</u>
Total Wages			1,884,222.18





2010 SELECTMEN'S ANNUAL REPORT

The Litchfield Board of Selectmen is pleased to provide our annual report of the highlights of 2010.

As approved by the citizens at the town meeting of 2010, the Board of Selectmen have hired a Town Administrator to provide the daily coverage and decision making for our community. Mr. Jason Hoch was hired in August as the first Town Administrator of Litchfield. Mr. Hoch has deep experience having served as Town Manager for the communities of Littleton and Plaistow, New Hampshire. His experience in municipal government and the laws of our state provide Jason with a broad skill set to handle the complexities of managing Litchfield's governmental affairs. Jason has already made a significant impact on our town during the 2011 budget session and we expect that his skills and knowledge will continue positively benefit Litchfield into the future. The Board of Selectmen looks forward to continuing our work and future planning with Jason in the upcoming year.

Faced with the partial failure of the Albuquerque Avenue culvert at Chase Brook as recommended by town engineers, the Board of Selectmen in concert with Road Agent Pinciario implemented weight and traffic restrictions to prevent catastrophic collapse. This necessary restriction impacted the ability of town emergency services (Fire and Ambulance) to utilize this section of Albuquerque Avenue for response this increasing response times to our citizens. To mitigate this problem, the Board of Selectmen made State Highway Block Grant Funds available to remove and replace the partially collapsed culvert. The Board also undertook efforts with Road Agent Pinciario to resurface and reclaim parts of Albuquerque Avenue that were damaged by the winter freezes over the years. This effort has stabilized most of the length of Albuquerque Avenue and brought the road back to satisfactory service levels.

After the analysis and planning by a committee for the shutdown of our incinerator mandated by the State/EPA, the Board of Selectmen and Facility Manager David Mellen undertook in 2010 the work to covert the facility to a compaction and transfer station. Due to the hard work of David Mellen, Road Agent Pinciario and Selectman Brunelle, the facility was converted on schedule and under budget. The required shutdown was implemented on schedule in December of 2010. It is the expectation of the Board that the State Department of Environmental Services will perform a final inspection of the work in the spring of 2011 completing the town's approval. The citizens of Litchfield will see no differences in their uses of the new facility versus the old incinerator operations. Based upon our analysis of data collected during the early operations of the new site, the cost of the compaction and disposal operations will be equivalent to the old incinerator facility. The Board wished to recognize the hard work of both David Mellen and Jack Pinciario in making the facility changes happen.

As a result of the theft of town funds by our prior Treasurer, the Board of Selectmen undertook an effort to replace the existing town auditors. Early in 2010 the Selectmen hired the widely recognized accounting firm Melanson, Heath based in Nashua to replace the past town auditors. In 2010, Linda Langille, Selectmen's Office Manager undertook the hard work to bring the town's financial records back into order. Based upon Linda's efforts and dedication as well as those of the current Town Treasurer Sharon Harding-Reed and Town Clerk/Tax Collector Terry Briand utilizing the assistance of financial consultants Rockburn & Coppola, by the end of 2010 the town's financial records have been completely reconstructed and balanced. To ensure compliance going forward and to ensure future thefts are detected, the Board of Selectmen implemented numerous procedures. These new procedures included reconciliation of funds between the Selectmen's office, Town Clerk/Tax Collector and Town Treasurer are conducted monthly, implementation of an employee fraud policy, controls on town credit cards and a town investment policy controlling the financial investments of the Treasurer as mandated by the State. Lastly, the audits of Melanson Heath for the fiscal years of 2008 and 2009 have been very positive in terms of the work done to bring the town's financial controls in line with GAAP (Generally Accepted Accounting Principles). These audits have been placed onto the town's web site for citizen review as well as in this annual report.

Lastly, the Board of Selectmen would like to thank all the citizens who participate in making our community work. Mrs. Jewett held a very well attended ceremony of Pearl Harbor Day where citizens remembered those military personnel past and present who made the ultimate sacrifice for their country. The Board would also like to recognize those citizens who take time away from their families to serve on various boards and commissions. Without those volunteers Litchfield town government would not function. An example of that unselfish volunteerism is represented by the individual to whom we have dedicated this year's annual report, Mr. Willis Jewett. Will gave many hours of his time helping citizens of Litchfield by serving on board and various committees. Will also was one of the first people who would lend a hand during town activities. The Board wished to recognize Will for all the support over his many years living in Litchfield.

On behalf of the Board of Selectmen, we wish all the citizens of Litchfield success and best wishes in 2011.

Respectfully submitted,

Frank A. Byron, Chairman
Steve Perry, Vice-Chairman
M. Patricia Jewett
George Lambert
John Brunelle



TOWN ADMINISTRATOR

In August, I was honored to be selected as Litchfield's first Town Administrator. The Town's decision to adjust its form of government operations represents a major step in the way your local government works. I respect that change and will endeavor to demonstrate that the decision was a responsible one for the Town to make. Having served as a Town Manager in Littleton and Plaistow, New Hampshire, I hope to provide the perspective of over ten years of government experience to serve Litchfield.

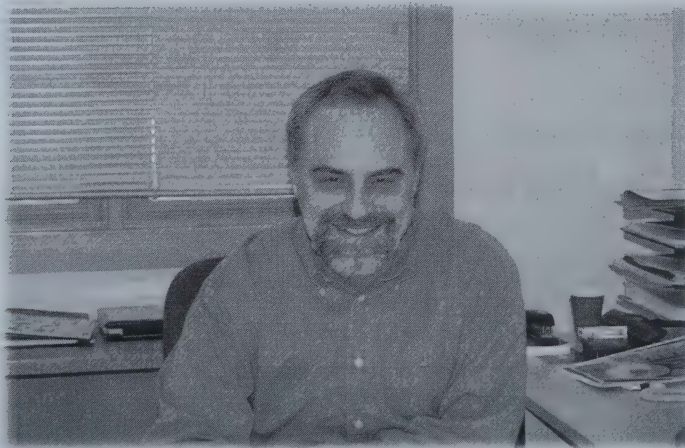
My initial work focused on collaborating with staff, boards and elected officials to enhance the organization, format and presentation of the proposed 2011 budget. I believe our joint efforts yielded a more detailed and clear picture of Town spending helping the Board of Selectmen and Budget Committee make effective decisions about priorities for 2011.

At the same time, some of my work in the fall and continuing into the new year will be building and strengthening a variety of operating policies and procedures. To many residents, these achievements may be largely unseen, but are important for the overall effectiveness and accountability of the Town's operations. During the coming year, I plan to work closely with Department Heads and the Board of Selectmen to develop long term plans for each of our Departments so we can have a clearer picture of future needs and costs and to allow us to begin finding ways to plan for an manage those future costs in a gradual and strategic manner.

For those of you who I have met over the past several months, thank you for taking the time to introduce yourselves and helping me to learn more about the community. For those who I have not met yet, please feel free to call, e-mail or stop by my office if I can be of any assistance or can help explain anything about how your Town government operates. I look forward to continuing to serve the residents of Litchfield in 2011.

Respectfully,

Jason Hoch
Town Administrator





ELECTION/BALLOT VOTING RESULTS

Town of Litchfield

March 9, 2010

Moderator John Regan led poll workers in the Pledge of Allegiance to the American Flag and declared the polls officially open in the Campbell High School gymnasium at 7:00 a.m. Ballot clerks on duty were Joan McKibben, Bertha Mieczkowski, Patricia Regan and Sharon Jones. Assistant Moderator Philip Reed assisted throughout the day. The polls were declared closed at 7:08 p.m., when the last voter had completed voting.

Fifty-Four (54) new voters registered through the course of the day, bringing the checklist up to five thousand, nine hundred, sixty-seven, (5,967). One thousand, seven hundred, seventeen ballots were cast, including fifty-three (53) absentee ballots.

Results Follow:

Municipal Votes

Article 1, Election of Officers:

Selectmen, Two Three-year terms:

John Brunelle	1235 Elected
George Lambert	955 Elected

Budget Committee, Two Three-year terms:

Chris Pascucci	755
John Harte	763 Elected
Elizabeth A. Miller	919 Elected

Fire Chief, One Three-year term:

Thomas B. Schofield	872 Elected
Leslie W. Blundon	789

Trustee to Trust Fund, One Six-year term:

Michael W. Falzone	1233 Elected
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Checklist Supervisor, One Six-year term:

Robert Redding	1267 Elected
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Library Trustee, Two Three-year terms:

Kristen J. Robert	1097 Elected
Lynne M. Clifford	1088 Elected

Cemetery Trustee, One Three-year term:

Warren W. Adams	1362 Elected
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Cemetery Trustee, One Two-year term:

Steven P. Calawa	1283 Elected
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Cemetery Trustee, One One-year term:

John Pinciario	650
Jennifer Sperberg	705 Elected

Article 2. Article 2 Are you in favor of the adoption of Amendment No. 1 as proposed by the Planning Board for the Town of Litchfield Zoning Ordinance as follows?:

Adopt a new Section 475, Inclusionary Housing, to provide for the construction of workforce housing in order to comply with the Workforce Housing Statute, NH RSA 674:58-61. In order to reduce the cost of construction, workforce housing will be granted reductions in lot size, frontage, building setbacks, building area and adjacent road width. Provision is also made to ensure future affordability of workforce housing. Workforce housing will be permitted in the Residential Zone, with Multi-family (3-5+ units per building) being limited to north of Leach Brook.

Yes 552
No 1029 Defeated

Article 3 Are you in favor of the adoption of Amendment No. 2 as proposed by the Planning Board for the Town of Litchfield Zoning Ordinance as follows?:

Adopt a new Section 575, Conservation Open Space Development, to require proposed residential subdivision developments 20 acres or greater in size to be designed to preserve natural features and wildlife habitat. This ordinance will permit reduced lot size, setbacks, and frontage, so that building lots take up less area allowing equal building lot density as a conventional development while preserving open space. Open space will be owned and/or managed by the Town, land trust or association utilizing a conservation easement.

Yes 932 Carried
No 664

Article 4. To see if the town will raise and appropriate as an operating budget, not including appropriation by special warrant articles and other appropriations voted separately, the amounts set forth in the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$4,387,436. Should this article be defeated, the default budget shall be \$4,372,742, which is the same as last year, with certain adjustments required by previous action of the town of Litchfield or by Law; or the governing body may hold one special meeting, in accordance with RSA §40:13, X and XVI, to take up the issue of a revised operating budget only.

Yes 1058 Carried
No 570

Article 5. To see if the town will vote to raise and appropriate the sum of \$58,100 to hire a Town Administrator effective July 5, 2010. The cost of the period for July 5, 2010 until December 31, 2010 will be \$58,100 of which \$42,500 represents salary and \$15,600 represents benefits. The annual cost of this position will be \$116,200 of which \$85,000 represents salary and \$31,200 represents benefits. This position will provide day to day management of the town's government as delegated by the Board of Selectmen. It is the intention of this position to ensure that the operations of the town's governmental organizations are conducted in a cost effective, coordinated and timely manner. This position differs from the Board of Selectmen Office Manager in that the position encompasses responsibilities for department operations beyond the financial accounting and organization of the Selectmen's office. Town functions such as Highway, Solid Waste, Police, Code Enforcement and Building will report to this individual for day to day operations.

Yes 830 Carried
No 808

Article 6. To see if the town will vote to raise and appropriate the sum of \$5,000 as a stipend to hire one (1) Welfare Administrator who shall have the responsibility under the supervision of the Board of Selectmen for the administration of the town's welfare program as specified under RSA § 165:1.

This position will be responsible for the administration of the town's welfare program currently administered by the Board of Selectmen. This position will be responsible for managing the welfare budget, accepting welfare applications, reviewing the applications for eligibility to receive welfare and to provide aid to those qualified applicants. This position will report to the Board of Selectmen who shall with the Welfare Administrator set welfare standards and policies for the town.

Yes 719
No 920 Defeated

Article 7. To see if the Town will vote to raise and appropriate the amount of \$1,395 for the formation and initial budget of an Ethics Committee and to rescind the existing Conflict of Interest Law, and adopt in lieu thereof a new Code of Ethics as written by the Litchfield Code of Ethics Formation Committee. Copies of the proposed Code of Ethics may be obtained at Town Clerks Office, and at the Aaron Cutler Memorial Library.

This warrant will establish an Ethics Committee whose charter is to impartially investigate citizen complaints of potential ethical conflict by town officials, volunteers and committee members and to bring their findings to the Board of Selectmen for resolution. The proposed ethics policy is based upon a policy currently in use in the town of Dunbarton. Enactment of this article will provide a means for Litchfield's citizens to resolve perceived or real ethical concerns with town government. Neither this article nor the Ethics Policy includes the School Government within its scope.

Yes 636
No 996 Defeated

Article 8. To see if the town will vote to raise and appropriate the sum of \$24,871.06 to hire one (1) full time police officer effective July 11, 2010. The cost for the period of July 11, 2010 through December 31, 2010 is \$24,871.06, of which \$17,386.00 is for salary and \$7,485.06 is for benefits and equipment. The annual cost of said officer will be \$49,633.51 of which \$37,663.39 will be for salary and \$11,970.12 will be for benefits and equipment.

The hiring of a full time police officer will provide for additional coverage ensuring that there are always two (2) officers on duty at all times. Presently, there are times when only one (1) officer on duty. This additional officer is in concurrence with the 2008 Municipal Resources Institute (MRI) report that recommended an additional two (2) officers be added to the force. This additional officer will provide for increased citizen and officer safety.

Yes 918 Carried
No 736

Article 9. To see if the Town will vote to raise and appropriate the amount of \$50,000.00 for the purchase a 1998 Freightliner FL70 Medium Duty Rescue Truck from the Town of Londonderry. This appropriation shall be non-lapsing per RSA § 32:7, VI, and will not lapse until the vehicle has been purchased or December 31, 2011.

This truck with approximately 12,000 miles includes an on-spot tire chain system, 16 foot non-walk-in rescue body constructed of non-corroding lightweight ABS and 9 large size walk around storage compartments. Included in the purchase are a 15,000 lb. front bumper WARN winch, 5,700 watt on board diesel powered generator, Quartz scene work lights, emergency warning lights, siren, (2) 100 foot hydraulic hose reels for auto extrication equipment and a 4-bottle, 6,000 PSI high pressure breathing air recharge system capable of refilling approximately 45 firefighting SCBA Air Packs. Purchase of this vehicle may defer the purchase of a replacement, full sized fire truck for approximately 3 to 5 years providing anticipated savings of approximately \$180,000 to \$300,000 over that time period in purchase payments and by saving wear and tear on existing full size fire vehicles responding to incidents.

Yes 905 Carried
No 768

Article 10. Shall the town vote to approve the cost items for wage and related costs that have been included in the collective bargaining agreement reached between the Town of Litchfield and Council 93 of the American Federation of State County and Municipal Employees which provide for the following increases in wages and benefits;

2010

\$24,312.28

And further, to raise and appropriate the sum of \$24,312.28 for the 2010 fiscal year, such sum representing the additional cost attributable to the increase in salaries and benefits over those of the appropriation at the current staffing levels, paid in the prior fiscal year. This collective bargaining agreement covers full and part time patrol officers and full and part time dispatchers.

This contract establishes a new base salary for the bargaining officers and dispatchers that are representative of rates paid by the surrounding communities. The bargaining unit has agreed to defer any wage increases for 2008 and 2009 represented by cost of living adjustments. Further, the bargaining unit has agreed to this as being a one (1) year contract with a salary adjustment thus avoiding the evergreen clause. Benefits to the bargaining unit include the addition of a holiday to match the town non-bargaining group, accelerated vesting of vacations and various additions to pay for a night shift premium, the addition of minimum hours of pay for cancelled details (chargeable against the contractor and not paid by the town) and a premium for Field Training Officer premium.

Yes 905 Carried
No 735

Article 11. Shall we modify the elderly exemption from property tax in the Town of Litchfield, based on assessed value, for qualified taxpayers, to the following: for a person 65 years of age up to 75 years of age, \$50,000; for a person 75 years of age up to 80 years of age, \$80,000; for persons 80 years of age and above, \$125,000. To qualify, the person must have been a New Hampshire resident for at least 3 consecutive years, own the real estate individually or jointly, or if the real estate is owned by such person's spouse, they must have been married to each other for at least 5 consecutive years. In addition, the taxpayer must have a net income in each applicable age group of not more than \$30,000 if single or not more than \$45,000 if married; and own net assets not in excess of \$300,000 excluding the value of the person's residence.

This article seeks to clarify the town's existing exemptions as submitted by petition warrant article in 2004 and partially denied by the Department of Revenue Administration. The findings of the NH Department of Revenue Administration on the petition warrant article approved by the voters in 2004 pointed out several errors with the petitioned age categories as well as years of residence and marriage status. This warrant article does not change the exemption levels but only seeks to create compliance with state law in the areas found deficient by NHDRA.

Yes 1294 Carried
No 368

Article 12. To see if the town will vote to authorize the Board of Selectmen to enter into negotiations with Pennichuck East Utilities for the town to assume responsibility for the subscribers costs for the Fire Protection surcharge. The results of these negotiations will be brought back to the voters in March of 2011 for consideration.

Currently, Pennichuck East Utilities charges subscribers a monthly fee to cover the cost of installation and maintenance for fire hydrant installation. This cost, currently assessed to all subscribers, would be assumed by the town if passed in 2011 and amounts to approximately \$269,000 per year at the present time. The purpose of this warrant article is to see if the town will authorize the Selectmen to negotiate this charge with the intention that the town will assume the cost of the Fire Protection surcharge through an assessment to be contained as part of the property tax. Prior to assuming these charges, the results of the negotiations will be brought back to the town meeting for consideration on the 2011 warrant.

Yes 1079 Carried
No 574

Article 13. By petition: "To see if the Town will vote to approve the following resolution to be forwarded to our State Representative(s), our State Senator, the Speaker of the House, and the Senate President. Resolved: The citizens of New Hampshire should be allowed to vote on an amendment to the New Hampshire Constitution that defines "marriage"."

Yes 1093 Carried
No 525

Article 14. By Petition: "Shall Litchfield, NH adopt the provisions of RSA 40:14-b to delegate the determination of the default budget to the municipal budget committee which has been adopted under RSA 32:14?"

Passage of this article requires a 3/5 majority.

Yes 587
No 998 Defeated

Theresa L. Briand
Town Clerk



2010 LCC ANNUAL REPORT

The Litchfield Conservation Commission ("LCC") is an all-volunteer advisory board authorized by RSA Chapter 36-A, established by the Town "for the proper utilization and protection of the natural resources and for the protection of watershed resources" within Litchfield. The LCC currently has seven members and two alternate members.

In 2010, the LCC projects included:

- The acquisition of 5 acres of land off of Cutler Road and in the Weinstein well watershed. This project has taken over a year to finalize and protects a large vernal pool and several smaller pools. The parcel is also an important piece to keep as undeveloped near a major public water resource.
- Received a donation of 5 lots off of Sybil Lane.
- The Annual Fishing Derby, the 28th such event was held this past May 8, 2010, with approximately 75 children entrants. The Commission thanks Trout Unlimited for their instruction at the Derby.
- Participation in the State of New Hampshire "Adopt a Highway Program," with LCC members cleaning a two mile section of Route 3A in the spring and fall.
- Several members attended the annual meeting of NH Conservation Commissions in the fall to keep updated on changes that could benefit our Town.

Joan McKibben, Chairman	2011
Thomas Levesque, Sr., Vice Chairman	2011
Roger St. Laurent	2012
Sharon Jones	2012
Marion Godzik	2012
Richard Husband	2012
Frank Byron	Selectmen's Rep.
Stephen Tarara	2011 (Alternate)
Michael Croteau	2011 (Alternate)





LOWER MERRIMACK RIVER LOCAL ADVISORY COMMITTEE

2010 ANNUAL REPORT

The Lower Merrimack River Local Advisory Committee was created in 1990 after the Lower Merrimack was designated a protected river in the State of NH. As a designated river, the Lower Merrimack is protected under RSA 483, administered by the New Hampshire Department of Environmental Services (NH DES) Rivers Management and Protection Program.

Members are nominated by each riverfront municipality and are approved by the DES Commissioner. Representatives come from a broad range of interests, including but not limited to, local government, business, conservation, recreation, agriculture, and riparian landowners. All members are volunteers. This diversity helps to bring a variety of perspectives to bear on resource protection and development issues.

The main responsibilities of the LACs are: 1) develop and implement a local river corridor management plan, 2) advise local, state and federal governing bodies and agencies of activities which may affect the water quality or flow of the protected river or segment, and 3) review and comment on any federal, state or local governmental plans within 1,320 feet of either side of the designated river that would alter the resource values and characteristics for which the river or segment is designated.

Members:

Bob Robbins (Chair) – Hudson
Kathryn Nelson (Vice Chair) – Nashua
Karen Archambault (Secretary) – Nashua
Jim Barnes (Treasurer) – Hudson
George May – Merrimack
David Scaer-Hudson
Glenn McKibben – Litchfield- membership renewal pending
Michael Redding, membership pending, Merrimack

Associate Members:

Geoff Daly, Nashua
Millie Mugica – Nashua

Meetings are held at the Nashua Public Library on the 4th Thursday of the month at 7pm

Volunteer hours contributed for river protection activities: 400

We encourage new membership. Applications and information can be found at

<http://www.nashuarpc.org/LMRLAC/index.htm>

In 2010 LMRLAC meetings included the following topics:

Manchester-Boston Airport -Mr. Fixler from the Manchester-Boston airport and Mr. Webster and Ms. Kowalski from the EPA attended the January meeting to discuss the Multi-Sector Permit Requirements pertaining to the water quality monitoring.

Beazer property-The LAC received correspondence regarding the contaminated Beazer property in Nashua. The current controls which are in place to contain the contaminated groundwater are being overtopped; The LAC sent a letter to DES with concerns.

Boott Hydropower Dam in Lowell – Discussion with Enel Representative-Kevin Webb, Environmental Affairs Coordinator with Enel North America attended a LAC meeting. The LAC heard information on the proposed Obermeyer pneumatic crest gate system. The LAC also heard from the Flood Owners Group in Lowell and other riverfront owners and stakeholders to provide their perspective on the operation of the Boott Hydropower Dam. A representative from FERC attended a meeting to explain the permit process. The LAC voted to send a letter of support to FERC regarding the pneumatic crest gate system.

CSPA Urban Exemption, Nashua-Lucy St. John, Planner attended a meeting and explained that the City of Nashua had applied for and received an urbanized shoreland exemption under the provisions of the Comprehensive Shoreland Protection Act.



LOWER MERRIMACK RIVER LOCAL ADVISORY COMMITTEE 2010 ANNUAL REPORT (continued)

Dock Permit, Hudson-The LAC reviewed an application for an after-the-fact dock permit at 12 Campobello St, Hudson. The dock application is for a 2-slip seasonal dock. The application also requested a waiver on removing the dock, stating that the river rarely freezes and the owner wants year- round access to his boat and to the river. The LAC submitted comments with concerns. .

Maximum Impervious Surface Zoning Ordinance and LID Guidebook-The LAC provided Minda Shaheen, NRPC comments on the drafts.

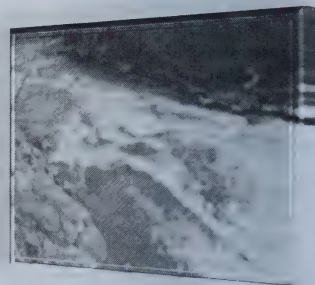
Water Quality Testing- Report on the first monitoring day and outlook for the year was provided George May.

Statewide TMDL Study for Bacteria Impaired Waters Draft Report. The LAC submitted comments.

Proposed PSNH Eagle and Thornton Substations, Merrimack- A presentation was provided. The LAC submitted comments to DES with concerns regarding impacts.

Derry Wastewater Treatment Plant- The LAC sent comments regarding concerns with the treatment of the discharges to the Merrimack River from the plant.

Respectfully submitted by Kathryn Nelson, Vice Chair 12-21-2010



Pictures from NRPC website

<http://www.nashuarpc.org/LMRLAC/index.htm>



LITCHFIELD HIGHWAY DEPARTMENT 2010 ANNUAL REPORT

The Highway Department completed several projects in 2010. We worked hard to keep the budget under control due to the trying economic times. Each purchase and project was reviewed to make sure we got the most of each dollar spent. In order to keep costs down the Highway Department chose to take on several projects in house instead of contracting them. In all, the effort to keep the budget under control worked out well with the Highway Dept. turning back over \$50,000 to the town.

Paving – Repaving of major parts of Albuquerque Avenue. This project entailed reclaiming pavement from Cranberry Lane to Talent Road and from Hillcrest Road to Griffin Lane. The repair of one of the most used roads in town was needed. With one more section left to be paved, this project will complete all repairs on Albuquerque Avenue from 3A to Page Road.

Albuquerque Avenue Culvert- The need for this project arose during inspection of the pipes that were starting to fail. By lowering the weight limit and proceeding with due diligence we were able to avoid a much larger problem and keep costs under control. With communication between all Town Departments, Boards, and other agencies we were able to keep the public informed of the closing and reopening of this main road.

Molsom Circle – Installation of catch basin and pipe. Two catch basins and piping were needed to correct some flooding and road erosion.

Darrah Pond – In co-operation with the recreation department, poles around the old skate park, which were set in concrete, were removed. Money was saved by not contracting this project out.

Highway Garage –A 500 gallon gasoline tank and dispensing pump, fencing and roofing were installed with the co-operation of the Police Department. This project saves the town time and money in many different ways: Police vehicles remain in town during refueling allows other town departments to refuel and the Town can purchase gas in bulk at a lower price.

Installation of underground piping was also done. A trench was dug from the highway barn to the recycling building for the conduit which will be used for the additional power, alarm, cable and telephone wiring. This is to provide the proper separation of various wiring and meet current needs.

Recycling Facility- A compacting slab was installed in co-operation with the Building Department and Recycling Center. The project involved removing needed dirt, compacting and forming for the new retaining wall and slab. Money was saved on this project by doing it in house rather than contracting it out.

In any department it is a team effort and our team has worked very hard together to complete each project as well as maintain the town roads in good safe conditions, while remaining under budget. The roads were swept and restriped. Albuquerque Ave. was repaved. Lawns maintained at the old and new Town Hall. Several dead standing trees fell on roads and the bike path that were removed. The start of a new pole barn at the highway garage was done this year. Next year work will progress on it and we look forward to its completion in 2011.

New Equipment – This year the Department purchased a front end loader and plow. This equipment was purchased with the use of impact fees, which means there was no cost to the resident's taxes. The use of this machine has helped in saving money and controlling costs. It is used to load salt into the plows faster, to plow snow in town parking lots and on circles and cul-de-sacs and to widen roads that have narrowed due to snow. It is also used to maintain the brush and leaf piles at the Recycle Center. Some of these items were contracted out previous.

Purchase of backhoe- This equipment was purchased with the cost being shared between the Highway Department and the Recycle Center. The backhoe is used for road repair, packing of dumpsters, digging various trenches, digging for catch basins, and some beaver dam removal. It also provides assistance in road clearing during major storms or emergencies.



LITCHFIELD HIGHWAY DEPARTMENT 2010 ANNUAL REPORT (continued)

Purchase of cameras- One camera is used for 24 hour surveillance of the highway property, equipment and refueling area. A second set of truck mounted cameras are used for 2 town dump trucks to provide backup operations and wing plow operations monitoring. This allows the operator to make sure other employees or objects are clear when backing up.

Each year there are many comments from the residents of Litchfield about the great job done of removing snow from the roads and treating for ice. The job of clearing not only the roads, but clearing the Town Hall lot, library, fire station and Darrah Pond is a real team effort from the Road Agent to each contractor. Many of our contractors live in town and adjoining towns. The town owns the equipment, consisting of the plows, wings, sander, plow frame, and hydraulics, but contracts out to individuals and companies who supply the truck and/or personal. The quality work they perform is apparent after every snowstorm. I want to thank those individuals and companies for their work: Les Blundon, Digger D's Landscape-Dan Vailancourt, Doug St. Laurent and Ron Buxton; Eagle Paving-Mark Reilly; JBT-Jeff Guay; Jamie Hysette and Eric Reed, as well as Fire Chief Tom Schofield, Police Chief Joseph O'Brien. I greatly appreciate all their hard work.

Respectfully submitted,

John Pinciario,
Road Agent



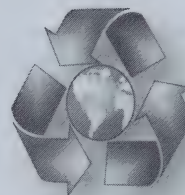


TRANSFER STATION AND RECYCLING FACILITY

Litchfield Residents,

The facility staff and solid waste committee members have completed the shutdown of the incinerator. The transfer and recycling facility is now fully operational. In addition to the change over efforts, the facility staff has been hard at work improving the site and increasing our recycling efforts with the continued support of the residents. During the 2010 the facility processed the following recycling products.

Material	Amount (in tons)	
Cardboard	119.43	tons
Glass	148.51	tons
Aluminum Cans	7.73	tons
Steel Cans	17.76	tons
Mixed Paper	123.76	tons
Scrap Metal	183.56	tons
Electronics	35.48	tons
Plastics	43790	lbs
Vegetable Oil	380	lbs
Fluorescent Bulbs	4480	units
Used motor oil	1200	gal
Wet Cell Batteries	6	tons



Totals 2010 664.09 Tons Recycled

At current landfill rates this material would have cost \$74,734.00 in disposal fees.

Market Pricing 2010	High	Low	
OCC (Cardboard)	\$ 172.50 TN	\$ 100.00	TN
Mixed Paper	\$ 62.50 TN	\$ 35.00	TN
UBC (Aluminum Cans)	\$ 00.71 LB	\$ 00.61	LB
Scrap Metal	\$ 225.00 TN	\$ 135.00	TN
Steel Cans	\$ 145.00 TN	\$ 45.00	TN

Other Materials Recycled in 2010

Cell Phones, Tires, Ink Cartages, Toilets, Sinks, Lamps, Propane Tanks, Fluorescent Bulbs, Ceramic tile, Thermostats, Smoke detectors, Eye glasses, Nickel Cadmium batteries, Dishes, Mugs, and Yard waste.

New for 2011

Plastics Recycling #1 thru #7
YTD informational recycling sign
Ridged plastic recycling

Solid Waste Committee:

John Brunelle, Resident
George Lambert, Board of Selectman Representative
Tom Levesque, Resident
David Mellen, Transfer and Recycling Facility Manager
John Pinciario, Resident
Cecil Williams, Resident

Respectfully submitted,

Dave Mellen
Transfer and Recycling Facility Manager





LITCHFIELD POLICE DEPARTMENT ANNUAL REPORT 2010

Litchfield Residents
Honorable members of the Board of Selectmen;

It is with great pleasure I submit for your perusal the 2010 Annual Report of your Litchfield Police Department.

The members of the police department would like to thank the residents of Litchfield for supporting both warrant articles submitted this past year.

The first warrant article allowed the hiring of an additional police officer. This will allow a safer environment for not only the public but for the police officers on duty. This closes the gap from single person coverage to having two police officers on duty most of the time.

The second warrant article was for the labor contract with the police officers of your community. During these tough economic times, the citizens of Litchfield realized that the small investment of a salary increase keeps Litchfield competitive in the job market. While most other industries are feeling the economic pinch, the police field is alive and thriving. This is due in part to federal grants awarded around the state over the past two years. Again, thank you for your continued support of the Police Department, all the members appreciate it.

I had the pleasure of working with State Representative Laura Gandia this year on an issue that had directly affected the safety of the residents in Litchfield. The issue was first raised by Town Clerk Theresa Briand during a meeting in regards to Hawkers and Peddlers Licensing. The problem we faced as a community was if a person requested a license, only a state criminal record check could be conducted. We were prohibited by law to run a national record check. We have the ability but it was not an allowable purpose.

Representative Gandia worked diligently with me and Chief Jason Lavoie of Hudson Police Department. The law change was made and we now have the ability to conduct a nationwide check on individuals that may come to your home or business soliciting goods. I am sure many of you remember over the past two years we were faced with serious criminals (armed robbers, escapees and other unsavory characters) some arriving at our homes and either being allowed entry or they would force entry into homes creating unsafe conditions for our families. I applaud Representative Gandia for her hard work and steadfastness on this urgent safety issue.

The police department strives to provide the best trained police officer for the community in which we serve. The police officers are required to complete basic training requirements such as use of force, and firearms qualifications; however, many of the staff attended advanced training such as:

Domestic Violence
Grant Writing
Interviews and Interrogations
Critical Incident Investigations
Mental Health Intervention

D.A.R.E Seminar
Anger Management
Background Investigations
Advanced Report Writing
Simunitions Training Level II

There were some personnel changes this year at the Police Department. Officers Timothy O'Donaghue and Dennis Tessier were promoted from part time status to full-time status. We lost Officer Daniel Whelan to the Manchester Police Department; we wish him well and appreciate the years of service he dedicated to the residents of Litchfield. A new part time officer, Raymond Lamy of Hooksett, New Hampshire was recently sworn in. Officer O'Donaghue was the recipient of the coveted Arthur D. Kehas Award from the Police Standards and Training Council for police excellence.

As many of you are aware the town hired its first Town Administrator, Jason Hoch. Mr. Hoch has worked closely with the Police Department and is very knowledgeable in municipal government. This made a big difference when it came to presenting the budgets this year to the Board of Selectmen and the Budget Committee.

In closing, I want to thank the staff at the Police Department over the past year. Without your dedication and diligence this year would not have been such a success. I would be remiss if I did not thank the other departments and staff of Litchfield for their support, including the Board of Selectmen, Town Administrator, Fire Department, Town Clerk, Highway Department, Code Enforcement, and the SAU.

Respectfully,

Joseph E. O'Brien, Jr.
Chief of Police





2010 OFFENSE LOG STATISTICS

	2009	2010		2009	2010
Arrests			Involuntary Emergency Admission	1	2
Adult	149	84	Issuing Bad Checks	1	8
Juvenile	24	17	Loitering	0	1
Protective Custody	7	24	Lost Property	4	5
Abandoned 911 Calls	53	25	Medical Emergency	66	34
Alarms	125	45	Missing Person	4	0
Alcohol, Prohibited Sales	3	0	Neighbor Dispute	14	7
Alcohol, Unlawful Possession	19	2	Noise Complaint	29	12
Animal Involved Incidents	56	33	Obstructing Report of a Crime	0	1
Arson	0	1	Open Door/Unsecured Building	25	19
Assaults (All)	62	43	Paperwork Service	185	107
Attempted Suicide	3	5	Pawn Shop Sales	4	1
Bench Warrant	3	3	Pistol Permit Application	129	133
Burglary	13	18	Police Information	134	119
Burglary, Attempt to Commit	6	10	Police Service	237	149
Bylaws as to Non Attendance, School	3	0	Pornography, Child	3	0
Civil Standby	28	22	Receiving Stolen Property	1	2
Computer Related Crime	0	2	Recovered Property	6	3
Criminal Mischief	94	52	Resisting Arrest	3	0
Criminal Threatening	13	19	Robbery	0	1
Criminal Trespass	21	9	Robbery, Armed	0	1
Custody, Interference with	3	0	Robbery, Armed, Conspiracy to Commit	0	1
Default/Breach of Bail Conditions	6	1	Runaways, Habitual	15	8
Department Assist	42	18	Sex Offenders, Registration of	8	3
Destruction, Attempt to Commit	0	1	Shoplifting	1	0
Detaining Books, Overdue Matter	0	1	Shots Fired	5	6
Dog Control/Running at Large	56	23	Stalking	4	5
Dog a Menace, Nuisance/Vicious	10	7	Suicide	1	0
Dog, License Required	5	3	Suspicious Activity	68	38
Domestic Disturbance	65	38	Suspicious Persons	25	11
Drug Law Violation	1	28	Suspicious Vehicles	25	8
False Information	2	3	Theft	38	37
False Report to Law Enforcement	2	1	Theft by Deception	1	2
Felon/Possession of Dangerous Weapon	0	3	Theft from a Motor Vehicle	40	12
Fire	15	10	Theft of a Motor Vehicle	2	1
Fire Code Violations	0	1	Tobacco Violations	3	3
Fireworks, Display of	1	0	Town Ordinance Violations	11	5
Fireworks, Possession of	1	0	Truancy	3	1
Forgery	0	1	Unlawful Activities (Littering)	4	5
Found Property	19	14	Unruly Juvenile	14	8
Fraud, Attempt to Commit	2	1	Untimely Death	4	2
Fraudulent Use of Credit Card	6	5	Unwanted Person	4	4
Harassment	36	13	Vehicle Repossession	2	0
Hindering Apprehension	1	2	Violation of Protective Order	7	4
Identity Fraud	9	5	Welfare Check	42	28
Indecent Exposure/Lewdness	1	1	Wire Fraud, Attempt to Commit	1	2
			Business Checks	15,318	11,735



ANIMAL CONTROL 2010 ANNUAL REPORT

Litchfield Residents:

This report summarizes the activities of the Litchfield Animal Control Department, for 2010. The Animal Control Department had a good year in 2010. There were no unusual incidents to mention.

Reminders:

Dog Licenses are available at the Town Clerks Office starting in January 2011 and all dogs need to be licensed by April 30th 2011. Make sure all dogs are up to date with their Rabies Vaccinations prior to Licensing.

Please keep all dogs secured at all times do not let them run loose.

Do not let your dog bark to the point where it is disturbing to other residents.

The law states any dog barking more than 30 minutes during the day or anytime during the evening hours is disruptive.

If you have any questions on these, or any other animal related questions, please contact the Animal Control Officer 424-4047.

Respectfully Submitted,

Gerry Pilon
Litchfield Police
Animal Control Officer

<u>Civil Summons</u>	<u>2009</u>	<u>Revenue</u>	<u>2010</u>	<u>Revenue</u>
Unlicensed Dog	134	\$3,350.00	194	\$4,850.00
Dogs Running at Large	4	\$100.00	1	\$25.00
Nuisance	0	\$0.00	2	\$125.00
Menace	1	\$50.00	0	\$0.00
Vicious	0	\$0.00	1	\$100.00
Rabies Vaccination	26	\$650.00	0	\$0.00
Kennel Fees	2	\$30.00	0	\$0.00
To Appear In Court	2	\$0.00	0	\$0.00
Service Fee	96	\$480.00	151	\$755.00
Total	265	\$4,660.00	349	\$5,855.00





ANIMAL CONTROL 2010 ANNUAL REPORT (continued)

<u>Warnings</u>	2009	2010	<u>Wild Animal Calls</u>	2009	2010
Unlicensed Dog	47	58	Bat	2	0
Dogs Running at Large	59	46	Bear	3	0
Nuisance	37	22	Beaver	3	0
Menace	0	1	Bird	6	10
Vicious	1	0	Coyote	14	7
No Tags	13	3	Deer	13	16
Rabies Vaccination	3	0	Fisher	5	6
Total	160	130	Fox	21	11
			Geese	0	2
			Horse	4	2
<u>Other Calls for Service</u>			Porcupine	6	1
Calls about Cats	23	27	Raccoon	17	16
Cat Bites or Scratches	0	2	Skunk	16	24
Cat Hit by Motor Vehicle	0	1	Snake	2	0
Feral Cats	0	1	Squirrel	3	1
Trap Set for Cats	7	0	Turkey	0	1
Dog Bites	9	8	Turtle	0	2
Dogs Hit by Motor Vehicle	1	1	Woodchuck	6	11
Dogs Left in Motor Vehicle	0	1	Other	2	2
Dogs Euthanized	2	0	Animals Tested for Rabies	0	0
Dogs Tested for Rabies	3	1	Birds Tested for West Nile	0	0
Dogs Picked Up	57	43	Trap Set for Wild Animal	6	1
Dogs Brought to Kennel	26	17	Disposal of Wild Animal	11	9
Cruelty to Animals	3	0	Total	140	122
Total	131	102			
			<u>Telephone</u>		
<u>Hours Worked</u>			In Station	234	224
In Town	389.5	380	Out Station	221	224
At Home	222.5	247	In Home	108	165
At Kennel	33	25	Out Home	150	206
Training	4	8	Total	713	819
Total	649	660			
			<u>Vehicle</u>		
<u>Licensed Dogs</u>	1,602	1,640	Mileage	4,851	4,736
			Cost for Gas	\$1,819.00	\$2,103.00



2010 PLANNING BOARD ANNUAL REPORT

The Litchfield Planning Board is made up of volunteer town residents who are appointed by the Board of selectmen to serve the town by guiding and making recommendations related to the development of the municipality. The members and alternates meet every 1st and 3rd Tuesday of each month throughout the year. The members and alternates listed below are supported by Nashua Regional Planning Commission (NRPC) for guidance in drafting and implementing local land use laws and monitoring State and Federal laws impacting the Town.

At the 2010 Town Meeting two Planning Board items were voted on, Conservation Open Space Development (COSD) was approved by the voters which requires all developments 20 acres or greater in size to be designed to preserve natural features and wildlife habitat. This ordinance will permit reduced lot size, setbacks and frontage, so that building lots take up less area allowing equal building lot density as a conventional development while preserving open space.

The article to allow Inclusionary Housing to provide for the construction of workforce housing and Multi-family units north of Leach Brook was defeated by the voters. Workforce housing is still mandated by the State so the Planning Board will have to revisit this topic in the future.

In 2010 a report was done by Bruce C. Mayberry examining our current impact fees for public safety facilities. The impact fee schedule was adjusted based on this report.

The Board was sorry to see Chairwomen Alison Douglas leave part way through the year due to a move from Town. Ed Almeida was elected to replace Alison.

We welcome new members Bob Curtis, Joel Kapelson and Barry Bean.

Respectfully submitted,
Edward Almeida, Chairman
Jayson Brennen
Frank Byron, Selectmen's Representative
Leon Barry
Carlos Fuertes
John Miller
Joel Kapelson
Barry Bean
Bob Curtis





TOWN OF LITCHFIELD, NEW HAMPSHIRE RECREATION COMMISSION ANNUAL REPORT FOR 2010

The Litchfield Recreation Commission (LRC) was established by the Town in 2000, pursuant to State law RSA 35-B. The LRC provides leadership for the Town's Parks and Recreation Department. Unlike most towns in the local metropolitan area, Litchfield has no professional parks and recreation director or administrative staff, and so most of the efforts in running this department and carrying out recreational programs are accomplished by volunteers, local organizations, and contractors.

The LRC is composed of seven full members (one of which is a Selectman ex-officio appointment) and four alternates. At the start of 2010, the LRC was comprised of six full members but no appointed alternates. Maurissa Fluet resigned her position due to increased family obligations. We thank Maurissa for her time of service with the Commission. Longtime member and then Chairman Tony Schaffer's term expired in 2010. The Commission sincerely thanks Tony for his many years of service and his major role in getting the Commission back on a positive track over the past 3 years. Member John Bryant was elected as the new Chairman of the Commission, with Andy Collins serving as Vice-Chair. We were fortunate to have community members interested in joining the Commission and welcomed new members Jason Allen, Betty Darling, Keith Buxton and Colleen Gamache. Our current schedule for meetings is the 2nd and 4th Tuesdays of each month.

Mr. Roy Arria continues as Custodian/Groundskeeper on a part-time basis of 8 to 10 hours per week. Mr. Arria was the only person employed by the Parks and Recreation department in 2010. The Commission publicly thanks Roy for his dedication and service again this year. He continues to keep Talent Hall and the various parks in good repair and cleanliness, including restocking supplies, removing ice and snow around Talent Hall, making numerous minor repairs, and repainting the bathroom walls. He has saved the Town money by performing numerous tasks and repairs that would otherwise have required the hiring of expensive contractors or be left undone.

Fields, Facilities, and Partnerships

Being composed of volunteers, the LRC rarely originates recreational events on its own. The LRC interacted with Town schools, civic organizations, and local sports leagues to cooperatively provide recreational opportunities. The LRC acts as an approval and scheduling authority for field and facility requests, sets rules for proper usage and access, and provides for maintenance of fields and facilities. Those under the LRC's jurisdiction in 2010 were the same as in past years:

- Roy Memorial Park (2 Woodhawk Way), including Talent Hall and all park grounds
- Scott F. Innes Sr. Field, formerly known as "Brickyard Field" (Brickyard Drive)
- Corning Road baseball fields (Brook Road)
- Jeff Lane baseball fields
- Public tennis courts (Albuquerque Avenue)

It should be noted that the LRC only has authority over Town-owned recreational properties and facilities. It does not have authority or responsibility for those owned by the School District, Conservation Commission, privately-owned properties, and Darrah Pond proper (the water body itself, which by State law is the property of the State of New Hampshire).

To provide and maintain fields and facilities, the LRC relies on contracted services for field mowing and maintenance, landscaping, major repairs, and professional services such as inspections. Other paid services include trash removal, chemical toilets, and utilities for electricity, water, and propane.

A significant amount of volunteer efforts and in-kind contributions were and continue to be made by many individuals and organizations, helping to offset costs while improving facilities and quality of life here in Litchfield. Those listed below are the local organizations that LRC interacted with this year, demonstrating some of the recreational opportunities and benefits provided to the Town through these partnerships (in alphabetical order):

- Litchfield Arsenal Travel Baseball Team
- Litchfield Baseball Association
- Litchfield Blast Travel Softball Teams
- Litchfield Girl Scouts
- Litchfield Girls Softball League
- Litchfield Lions Club
- Litchfield School District
- Litchfield Pickleball Association
- Litchfield Recreational Basketball League
- Litchfield Seniors Group
- Litchfield Youth Soccer Association
- St. Francis School



RECREATION COMMISSION ANNUAL REPORT FOR 2010

(Continued)

The above organizations provided a mix of recreational events and services during the year:

- Youth sports instruction and clinics
- Youth sport games and tournaments
- Adult recreational activities
- Senior citizen recreational activities
- Family-fun days
- Entertainment events such as comedy nights, talent shows, and concerts
- Civic events such as fundraisers, cancer and hunger walks
- Scholarships to graduating CHS seniors



LRC Projects in 2010

In 2009 the LRC completed major portions of the Roy Memorial Park Field Expansion project. The projects completed included installing two new softball fields in the expanded area of the Park. In 2010, as part of the Opening Day festivities for the Litchfield Girls Softball League, a Dedication Ceremony was held, dedicating and naming the fields for outstanding community members. Governor John Lynch was among the hundreds present for the event.

One field was dedicated and named for Mr. Jim Bliss. Jim passed away in November of 2009 at the age of 62. He is known to most in town for his years as the physical education teacher at Griffin Memorial School. Jim also served as the Athletic Director for LMS as well as the coach of the boy's soccer team. His family was present for the dedication ceremony.

The second field was dedicated and named for Pat and Will Jewett. Will passed away in March of 2010. The Jewetts have served the Litchfield community for numerous years in many different capacities. Will was instrumental in the development of town recreation and Pat has served as the Selectmen's representative to the Recreation Commission for many years. There are very few people in this town who have not been touched in some way by what the Jewetts have contributed to Litchfield.

The Recreation Commission also welcomed several new programs, including Litchfield Pickleball Association, Litchfield Youth Wrestling, Litchfield Youth Lacrosse and the Litchfield Seniors Group. While the Pickleball and Wrestling programs are not new to the town this year, they are now LRC sponsored organizations. The Seniors Group is a new activity formed with the help of Pat Jewett and Betty Darling and is open to all Litchfield residents age 55 or older. They have held several activities over the past year including luncheons and Bingo, with many other activities planned for the coming year.

Talent Hall received a major improvement with the refinishing of the floors in 2010. The floors were stripped, repaired and refinished, with lines for basketball, volleyball and pickleball painted. We have measures in place to protect the floors and keep the finish in good condition for as long as possible.

In closing, it is the Litchfield Recreation Commission's mission to promote and increase recreational opportunities in our Town; to keep our Town's recreational facilities open, safe, and cost-efficient within available funding; and manage to the best of our abilities the Town's available resources for parks and recreational purposes. We encourage any residents interested in improving Litchfield's recreational services to consider joining the Recreation Commission (contact Town Hall for further information).

--Submitted by the 2010 Litchfield Recreation Commission:

John Bryant, Chairman
Sandy Vance, Secretary
Keith Buxton, Member
Colleen Gamache, Member

Andy Collins, Vice-Chairman
Betty Darling, Member
Jason Allen, Member
M. Patricia Jewett, Selectman ex-officio



LITCHFIELD MOSQUITO CONTROL DISTRICT 2010 ANNUAL REPORT

In its third year of existence, the Litchfield Mosquito Control District (MCD) provided value to the town through its continued work to control the mosquito population within our community. Our proactive approaches may have helped in preventing additional re-occurrences of life-threatening viruses which are carried by various species within the mosquito community. Throughout the 2010 mosquito season, the district collected multiple thousands of samples, each of which was tested by state laboratories. Fortunately this year no signs of EEE or West Nile Virus (WNV) had been detected within our community.

Following the procedures outlined in our *Arboviral Illness Surveillance, Prevention and Response Plan*, developed by the MCD, and working in concert with the Board of Selectmen, the Public Health Officer and the Office of Emergency Management, the MCD continued its larvicide program. We specifically targeted the areas that were identified as containing EEE and or WNV in the past.

Mosquitoes breed in still, undisturbed water. While it is impossible to say for sure that EEE or WNV will be found in Litchfield in the 2011 season, all residents are encouraged to lessen the chance of reoccurrence by removing any standing water from their property throughout the Spring, Summer and early Fall. Barrels, buckets, gutters...anything that can hold water...should be emptied and any standing water removed. Of particular concern are old tires and birdbaths. Tires should be removed from all areas and the water in birdbaths should be changed every two or three days.

While we hope it won't be necessary, positive testing next year will mandate additional larviciding or barrier spraying in targeted areas. **If you do not want your property treated** for mosquitoes you must make a written request to the Board of Selectmen, Attn: Mosquito Control District. Please include your name, street address, phone number and description of your property with its boundaries. If such a request is not received and test pools show up positive in your area, your property may be treated.

Please call MCD if you have any questions about mosquitoes, the insecticides we use, time and type of applications or for more information about EEE or WNV. You can also visit the NH Department of Health and Human Services web site at www.dhhs.state.nh.us or the Centers for Disease Control at www.cdc.gov.

The 2010 season has now drawn to a close. Fortunately we have had no reported incidents of human or animal infection within our community. We have filed with the State the appropriate paperwork which allowed our community to receive \$4,725.05 in State refunds.

As we look to the 2011 mosquito season, we have the benefit of several successful years behind us with valuable new insights. The upcoming season will see amendments to our existing *Arboviral Illness Surveillance, Prevention and Response Plan*, along with several proposed recommendations to the Board of Selectmen which will allow our public services to unite and provide a timely, well coordinated response to the community's needs.

Respectfully submitted by the Litchfield Mosquito Control District;

John Latsha-Vice Chairman

John Poulos

Alfred Raccio-Chairman



AARON CUTLER MEMORIAL LIBRARY'S 2010 DIRECTOR'S REPORT

The mission of the Aaron Cutler Memorial Library is to offer the community materials, programs, and services, in a pleasant and welcoming environment, which will provide learning support for elementary, middle and high school students; satisfying recreational experiences; and opportunity for personal growth and development.

To this end, the library provided patrons of all ages with:

- many avenues, both in-house and online, to gather the supplemental information needed to complete assignments;
- high demand best selling fiction, non-fiction and movies;
- pleasure reading to promote lifelong learning;
- the opportunity to study a variety of subjects for personal edification; and
- a variety of programs and events to engage the mind, entertain, and spark creativity.

Library Use

- Circulated 33,998 library items: 57% children, 5% teens and 38% adults
- Visited by 16,301 library patrons
- Hosted 6,712 patrons at 191 library programs
- Added 379 new patrons
- Informed 9,300 visitors through our website, cutlerlibrary.blogspot.com

Library Resources

In-House Resources

- The library holds 14,306 materials in a variety of formats including: print, audiobooks, magazines, newspapers, movies and computer programs.
 - 960 new materials were cataloged and added to the collection. 881 of these items were purchased; 79 items were donated.
 - 593 out-of-date, lost, damaged, and non-circulating materials were withdrawn.
- Internet ready computers equipped with Microsoft Word, Excel and Power Point were provided for use, and an Early Literacy Station, equipped with 50 educational software programs for children ages 2 through 10, was available in the Young Readers' Room.

Online Resources

New Hampshire Downloadable Book Consortium

- Library patrons had access to 4,416 downloadable audiobooks through the New Hampshire Downloadable Book Consortium.
- eBooks were added to this website in June, and there are currently 1,264 eBooks in the ePUB format, as well as 15,000 public domain titles, available for download.
- A complete list of compatible devices and detailed instructions for using these free downloadable resources are available on the library website.

NHewLink Databases

- Library patrons had access to thousands of magazine, journal, newspaper, encyclopedia and other sources, through subscription services provided by the library. These 25 database resources provided homework and research help, as well as recreational reading, in a wide variety of popular and academic subjects. A complete listing of these resources is available on the library's website.
- Patrons enjoyed the online newsstand, choosing from over 1,700 titles available each month through MasterFile Premier, including such popular titles as Consumer Report's, People, Newsweek, PC World and Money.
- Patron's who read fiction enjoyed using Novelist, a reader's advisory service that provides information on over 100,000 titles, book award lists, author and series information, suggestions on what to read next, and much more.

Encyclopedia Britannica Online

Library patrons searched Encyclopedia Britannica for adults and high school students, Compton's Encyclopedia for middle school students, and the Elementary Encyclopedia for elementary students for a wide variety of information needs from the comfort of their own homes.

Interlibrary Resources

Litchfield residents had access to materials around the state through the Interlibrary Loan program. More than 1,500 requested items were delivered to the library for pick-up.



AARON CUTLER MEMORIAL LIBRARY'S 2010 DIRECTOR'S REPORT (Continued)

Library Programming

The Adult Services Department offered:

- All Booked Up, a book discussion group, on the 1st Wednesday of the month at 6:30 p.m.
- Book of the Month Club, with a monthly featured title.
- Water Your Mind...Read, an 8-week summer reading club that included reading, activities and prizes.
- Haunted Hikes of New Hampshire presentation with author Marianne O'Connor.
- Other contests.

The Tween and Teen Services Department offered:

- Make Waves @ Your Library, a 7-week summer reading club for 6th-12th graders including reading, crafts, activities, performers and prizes.
- Minute-to-Win-It competitive event.
- Other crafts and contests.

The Children's Services Department offered:

- Preschool Story Time on Tuesdays at 10:30 a.m. or Wednesdays at 12:30 p.m.
- Pajama Story Time on the 1st Thursday of the month at 6:30 p.m.
- Make 'n Take Crafts each month.
- Book Bunch, a book discussion group for children age 9-11.
- Make a Splash—READ!, a 6-week summer reading club for kids age 3-10, including reading, crafts, contests, performers, events and games.
- Library Card Sign-Up Month for 1st graders at GMS.
- Other crafts and contests.

Other Services

The library also provided photocopying, faxing, and test proctoring to residents.

Community Support

The library relied on the support of the community for the extra touches that make the library a great place to visit. Special thanks go to:

- the Litchfield Garden Club for their continued provision of plantings and maintenance for our beautiful flower beds, as well as our holiday greenery;
- the Friends of the Library for their annual 24/7 Porch Book Sale that puts gently used books into the hands of the community, the Holiday Gingerbread Contest, and their donations of activity passes to the SEE Science Center (Manchester) & Museum of Science (Boston), summer reading funds and prizes, etc.;
- the 35 neighboring businesses that supported our 3 summer reading clubs through donations of prizes and money;
- the 24 individuals who provided the library with a helping hand when it was needed; and
- the "Book Elf" who supplied the library with new children's books that were given away during Library Card Sign Up Month and Santa's Workshop.

Return on Taxpayer Investment

Weighing taxpayer investment (\$173,032) against the cost for patrons to purchase the materials and services provided to them by the library in 2010 (\$527,250), taxpayers enjoyed a return on investment of \$354,218 or 205%.

An Open Invitation

If you have not been using library services, please pay us a visit. Aside from being a beautiful building, the library is a bright, cheerful space filled with current information and materials, staffed by friendly people who are all too happy to help you find the content you need in-house, across the state or in cyberspace.

Respectfully submitted by,

Vicki Varick
Library Director



DEPARTMENT OF BUILDING SAFETY/HEALTH CODE ENFORCEMENT

As you are aware, this past year has affected new home construction in the Town of Litchfield and across the Country. Individual single family home construction is down compared to previous years. Currently elderly housing units are being built. Two projects are under construction, one in the northern part of town and one in the southern.

Low interest rates have encouraged renovations and additions. Residents are upgrading their present homes. In talking with building and home owners there is a strong indication the renovation and addition work will continue for the next year or two.

In 2009, the International Building Code was adopted by the State of NH, meaning the Town is following this as the minimum building code.

In 2011, we are implementing a new building permit process. All building permit applications (including electrical, mechanical, plumbing, etc.) will be available on-line and downloadable to increase the efficiency of the building permits process. An explanation and sample overview will be available as well. My goal is to process and approve simple applications on the same day.

In closing, I would like to thank the people of Litchfield, its staff and departments. I hope 2011 will be a great year.

Respectfully Submitted,

Kevin Lynch

Code Enforcement Official/Building Inspector



Permits for 2010



Types of Permits	Amount
Dwelling Units	15
Additions/Garages/Renovations	89
Temporary	7
Swimming Pools	41
Mechanical	170
Electrical	210
Plumbing	17
Septic Test Pit/Leach Fields	24
Well	5
Total Permits	578
Estimated value for Construction of New Units, Renovations, Additions, Garages, etc	\$5,005,000.00
Impact Fees Collected in 2010	\$127,291.35
Permit Fees Collected in 2010	\$27,664.00



LITCHFIELD ZONING BOARD OF ADJUSTMENT 2010 ANNUAL REPORT

The Litchfield Zoning Board of Adjustment (ZBA) has 5 members appointed by the Board of Selectmen. The Board meets at 7 P.M. on the second Wednesday of each month in the Town Hall meeting room to hear requests from applicants to appeal administrative decisions and requests to grant variances, special exceptions or equitable waivers.

Section 1: Membership and Assignments

There are currently 5 members and 4 alternates on the Board. The Chair, Vice-Chair, and Clerk positions are nominated by ZBA members each year in May.

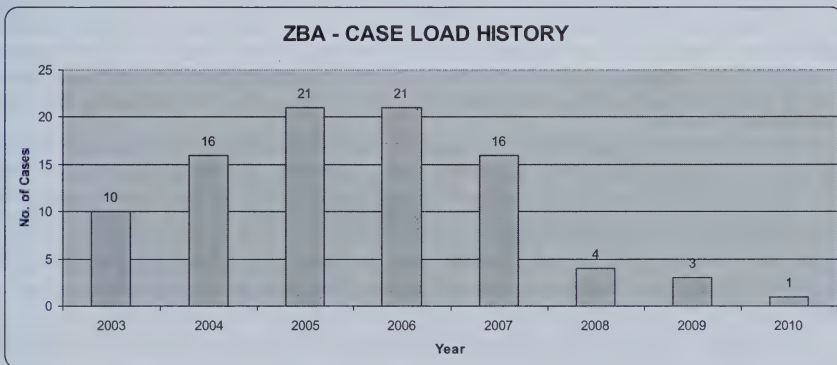
- Richard Riley was nominated Chair Person in May for another one year term
- Laura Gandia was nominated Vice-Chair Person in May for another one year term
- Eric Cushing was nominated Clerk in May for a one year term

		<u>Membership</u>		<u>Term Expires</u>		<u>Years of Service</u>
Members:		<u>Start</u>				
Eric Cushing - Clerk		2005	March	2011		6
Laura Gandia - Vice Chairperson		2000	March	2012		11
Albert Guilbeault		2005	March	2013		6
John Regan		1998	March	2011		13
Richard Riley Jr - Chairperson		2003	March	2013		8
Alternates:						
Thomas Cooney		2007	March	2012		4
John Devereaux		2003	March	2013		8
Gregory Lepine		1990	March	2012		21
OPEN						
OPEN						

** I would like to call special attention to Greg Lepine, John Regan and Laura Gandia for their long standing service on the ZBA and by extension to the Town of Litchfield.

Section 2: Case Load and Decisions

In 2010 the Board heard testimony and made decisions on one new case. The case load remained unusually light for the third year in a row.



Of the total case load heard in 2010:

- There was one request for a Variance
- There were no requests for a Special Exception
- There were no requests for an Appeal of Administrative Decision
- There were no requests for Equitable Waivers
- There were no requests for a Rehearing



LITCHFIELD ZONING BOARD OF ADJUSTMENT 2010 ANNUAL REPORT (continued)

Section 3: Budget

In 2010 the Board continued our focus on managing expenses. I would also like to point out that in 2010 the ZBA members donated miscellaneous office supplies and have voluntarily declined mileage reimbursements for travel related to site walks and training.

Account Number	Account Name	2010 Budget	Net Working Adjustments Budget	Current Year Expenditures	Encumbrances	Balance Remaining
01-4191.30-125 ZB Wages - Secretary/Clerk		0.00	0.00	0.00	0.00	0.00
01-4191.30-328 ZB Public Notices and Ads		660.00	0.00	660.00	255.85	404.15
01-4191.30-344 ZB Secretarial Services		1458.00	0.00	0.00	567.00	891.00
01-4191.30-560 ZB Dues and Subscriptions		65.00	0.00	65.00	64.00	1.00
01-4191.30-620 ZB Office Supplies		25.00	0.00	25.00	0.00	25.00
01-4191.30-625 ZB Postage		50.00	0.00	50.00	0.00	50.00
01-4191.30-680 ZB Copier Charges		0.00	0.00	0.00	0.00	0.00
01-4191.30-740 ZB Equipment Purchases		0.00	0.00	0.00	0.00	0.00
01-4191.30-750 ZB Furniture/Fixture Purch.		0.00	0.00	0.00	0.00	0.00
01-4191.30-810 ZB Mileage and Tolls		50.00	0.00	0.00	0.00	50.00
01-4191.30-811 ZB Seminars		240.00	0.00	240.00	180.00	60.00
TOTAL ZONING BOARD		2548.00	0.00	2548.00	1066.85	1481.15

** The Board anticipates that we will end the year approximately 42% under the Net Working Budget of \$2,548.00 (+/- 1%)

Section 4: Training, Seminars, Certifications

- Three ZBA Members, Laura Gandia, Richard Riley and Eric Cushing, attended the NHOEP Spring Planning and Zoning Conference training
- Attendance at the NHOEP Fall Planning and Zoning Conference training was canceled as part of our efforts to reduce budget spending

Section 5: Miscellaneous Business

- In July the ZBA hired Gisele Mercier as the recording secretary replacing Marge Dabrowski who, with her husband, moved out of Litchfield to be closer to their children and new grandchild. We are very pleased to have Gisele on board and wish to extend our thanks to Marge for her service to the town.
- In January the ZBA began using their updated application forms to conform to the legislative action taken in July 2009 which repealed and then reenacted RSA 674:33 I (b). The following Statement of Intent was included in the new law:

"The intent of [this act] is to eliminate the separate "unnecessary hardship" standard for "area" variances, as established by the New Hampshire supreme court in the case of *Boccia v. City of Portsmouth*, 155 N.H. 84 (2004), and to provide that the unnecessary hardship standard shall be deemed satisfied, in both use and area variance cases, if the applicant meets the standards established in *Simplex Technologies v. Town of Newington*, 145 N.H. 727 (2001), as those standards have been interpreted by subsequent decisions of the supreme court. If the applicant fails to meet those standards, an unnecessary hardship shall be deemed to exist only if the applicant meets the standards prevailing prior to the *Simplex* decision, as exemplified by cases such as *Governor's Island Club, Inc. v. Town of Gilford*, 124 N.H. 126 (1983)"

The new law became effective January 1, 2010 and shall apply to any application or appeal for a variance that is filed on or after the effective date.

I'd like to thank all the Board members and alternates for the time they spent this past year performing this important service for the town.

Respectfully submitted,

Richard Riley – Chairperson
Litchfield Zoning Board of Adjustment



2010 ANNUAL REPORT OF NRPC ACTIVITIES FOR THE TOWN OF LITCHFIELD

INTRODUCTION

The Nashua Regional Planning Commission (NRPC) was established in 1959 by communities in the Nashua area for the purpose of analyzing and coordinating land use and transportation issues at the regional level. Today, NRPC serves the thirteen member communities of Pelham, Hudson, Litchfield, Merrimack, Nashua, Amherst, Hollis, Brookline, Milford, Mont Vernon, Lyndeborough, Wilton, and Mason, and provides comprehensive community planning services.

NRPC provides member communities with comprehensive solutions to local environmental, land use, transportation, and regional planning issues as well as cutting edge mapping and data services. NRPC has also been designated as the Metropolitan Planning Organization to provide transportation planning services for the region. In this capacity NRPC works to bring innovative and effective transportation policies and strategies to the communities in the Nashua region.

A leader in planning strategies that preserve and improve the quality of life in southern New Hampshire, NRPC collaborates with multiple parties resulting in planning that is innovative, inclusive, technically sound, and driven by public participation. Specific assistance has been consistently provided to our communities on projects ranging from transit analysis, draft ordinances, develop and update local master plans, transportation planning, analysis of local zoning, and facilitation of visioning workshops to help communities establish goals and objectives for future growth. Our knowledge of local government operations and functions has allowed us to successfully administer this assistance and develop strong relationships with local boards and committees over the past 50 years.

2010 ANNUAL REPORT OF NRPC ACTIVITIES FOR THE TOWN OF LITCHFIELD

NRPC embarked on a number of new initiatives and projects in 2010, which promise to have long-term positive impacts for the future of the region and the state. NRPC has played a significant role in the NH Broadband Mapping Program as we began the process of identifying and mapping broadband resources across the state in collaboration with the other eight Regional Planning Commissions. In 2011, we will continue this work with a public outreach and planning component to the project that will engage the region in understanding and planning for broadband services.

NRPC organized the region's first Smart Commute Week, involving local businesses, community officials, and residents to raise awareness of alternative modes of transportation for commuting, school, and every day trips. We hope to build on the partnerships and relationships we established in planning this event to develop an expanded program over 2011.

While focusing on new initiatives, we also were successful in continuing our core services of transportation, land use, environmental, and GIS planning. As we look forward to FY11, there are many opportunities for NRPC to assist individual communities in shaping their future and to facilitate meaningful, engaged discussions about where the region is heading. At local level, we are developing a streamlined, cost effective method for updating Community Master Plans. We will also continue to work with communities on energy planning and exploring ways to integrate energy, transportation, and land use planning. At the regional level, we will begin the process of building a new transportation model that will help to inform our decision making about land use and transportation choices. At the state level, we will continue to collaborate on the Statewide Broadband Mapping and Planning Initiative.

Our work on behalf of the Town of Litchfield includes:

TRANSPORTATION

NRPC as the designated Metropolitan Planning Organization (MPO) for the region is responsible for developing and maintaining the region's transportation planning program. This includes soliciting, prioritizing and making recommendations on regional and local transportation projects that are funded through Federal or State sources.

NRPC is responsible for developing the region's portion of the State's Transportation Improvement Program (STIP), maintaining the regional traffic model, and performing required air quality analyses. In addition, NRPC MPO funds are used to provide municipal technical assistance on transportation issues.

I-93 Community Technical Assistance Program (CTAP) – The CTAP program is funded by the NH Department of Transportation and administered in the region by NRPC. It is designed to help communities prepare for future growth and land use changes that are anticipated to occur following improvements to I-93. During 2010 this program has provided for developing the Litchfield Economic Development Website. NRPC also participated in the analysis of the potential development on Pettingill Road in Londonderry and reviewed potential traffic impacts on neighboring communities including Litchfield.

Traffic Data Collection - Conducted 9 traffic counts in Litchfield in the past year. These counts were done at the request of the New Hampshire Department of Transportation and are used to support the Federal Highway Performance Monitoring System (HPMS). These traffic counts are available for use by the Town and NRPC can conduct special counts upon request. The count data is available to anyone through the NRPC website and more detailed data from each count is available upon request.

Transportation Improvement Program – As the designated MPO for the region, NRPC maintains the Transportation Improvement Program (TIP). The TIP is a fiscally constrained document required under federal transportation regulations. All federally funded highway improvements must be included in the regions TIP in order to receive federal funding. NRPC is responsible for the development and maintenance of the TIP so that federal highway transportation dollars are available to Litchfield and the rest of the region.

Congestion Mitigation Air Quality (CMAQ) Program - The CMAQ program provides funding opportunities for communities to address transportation needs that have a direct and beneficial impact on air quality in the region. Typical projects include intersection signalization improvements and improvements to transit service.

NH Capitol Corridor Passenger Rail Project – During the course of 2010 NRPC continued to push forward the NH Capitol Corridor project. Activities this year included participation on the New Hampshire Rail Transit Authority, the operating entity for the rail project, as well as passage of a limitation on liability as well as the preparation of conceptual development and operating costs. The liability limitation will be a critical factor in controlling operating cost for the rail project.

Human Service Transit Coordination – For several years the Department of Transportation and Department of Health and Human Services have been developing a process for coordinating transit services funded by the two agencies to reduce costs and increase service. The NRPC has been the leader in the state in this process and was recognized as the first regional coordinating council. In the coming year it is anticipated that this project will lead to increased transit service throughout the NRPC region and help meet the transportation needs of many seniors and disabled adults without transportation options.

Safe Routes to Schools Program - The Safe Routes program encourages children to bike or walk to school through education and incentives that remind children how much fun biking and walking can be. The program also addresses the safety concerns of parents by encouraging greater enforcement of traffic laws, exploring ways to create safer streets, and educating the public about safe biking, walking, and driving practices. NRPC continues to pursue Safe Routes to Schools funding for communities and school districts in the region.

Regional Traffic Model – NRPC is updating the regional traffic model to provide morning and afternoon peak hour traffic forecasts. This will allow NRPC to provide more specific information to the town when assessing the impact of traffic from new development. This capability is available for town use whenever there is interest, without cost, and the town staff has utilized NRPC traffic expertise on several occasions during 2008 to help study critical intersections and development issues.

Long Range Transportation Plan – During 2010, NRPC updated the region's Long Range Transportation Plan, Transportation Improvement Program and Air Quality Conformity Analysis. These documents identify transportation priorities for the region and each of the municipalities and are required to receive funding for transportation improvement projects.

LAND USE AND ENVIRONMENT

NRPC Energy Program – In 2008, NRPC received a 2 year grant from the US Environmental Protection Agency's Healthy Communities initiative to establish the Nashua Regional Energy Program. The Nashua Regional Energy Program works with municipalities to understand community needs and resources, assess current energy consumption within municipal buildings, take action to reduce energy consumption and implement renewable energy projects, and evaluate progress.

NRPC held its third Regional Energy Roundtable in 2010. The goal of this group is to share knowledge, technical expertise, and lessons learned as communities in the Nashua Region take action to address climate change and energy issues at the local level. NRPC also organized and facilitated a workshop during the 2010 Local Energy Solutions Conference. The workshop was entitled "Strategies for Effective Partnerships in Local Energy Action" and focused on the needs and resources of municipal staff and local energy committees to address energy issues and build stronger partnerships.

In 2010, NRPC also secured funding to conduct outreach and technical assistance to increase municipal energy efficiency in the Nashua Region through the Energy Technical Assistance and Planning program (ETAP). ETAP is funded by the American Recovery and Reinvestment Act and is being administered through the NH Office of Energy and Planning. For more information or to participate in this program, please contact Jill Longval, Environmental Planner, at 603-424-2240 or jilll@nashuarpc.org.

Legislative Services – On an annual basis, NRPC is actively engaged with members of the Legislature on issues that concern member communities. During the 2010 session NRPC was actively engaged legislative issues related to land use law, workforce housing, transportation funding, and commuter rail.

Brownfields - NRPC continued its regional Brownfields Assessment process in 2010 to identify Brownfields that qualify for federal and state funding programs. NRPC staff worked with local officials to identify qualifying Brownfields in each member community. Staff then directed NRPC's consultant in preparing Phase I and Phase II Brownfields assessments for selected sites. NRPC also worked with town staff members and affected property owners to provide education on the Brownfield process and on potential funding sources for cleanup activities.

Resources and Training – Through the innovative iTRaC (Integrating Transportation and Community Planning) program the NRPC provided a wide array of resources to town volunteers and staff. Fact sheets were developed on Edible Landscapes, Alternative Landscapes, Transportation Planning, Dark Skies, Gateways, Historic Districts, Flood Hazard Area Zoning, Rail and a 2010 Legislative Update. Large scale educational posters have been developed on Access Management, Gateways, Traffic Calming and the State of New Hampshire's Transportation Planning Process. All of these educational posters are available for our member communities to borrow. Planning Board and Zoning Board trainings were also offered in the Spring and the Fall.

The iTRaC Program has recently launched the Exemplary Spaces Award program which acknowledges examples of excellent planning and design throughout the Nashua Regional Planning Commission's 13 member communities. Awards will be granted for residential, commercial and industrial, and public spaces in the Nashua Region that exemplify the successful use of innovative planning techniques, site design, and aesthetic appeal and to recognize examples of excellent planning that enhances the community.

Household Hazardous Waste Program – Household Hazardous Waste (HHW) comes from everyday products used in the home, yard, or garden. By definition, they are corrosive, flammable, toxic, or reactive. Non-latex paint, solvents, oven cleaner, pool chemicals, pesticides, drain opener, and auto chemicals are just a few examples. The Nashua Regional Planning Commission holds HHW Collections each year to allow residents to properly dispose of these products. During these events, participants can also recycle unwanted electronics.

Six collections were held during the 2010 HHW season. Five of the events were located in Nashua and one was held in Milford. A total of 1,368 households participated from across the region; 34 of those households came from Litchfield. Six more collections are planned for 2011 beginning on April 23. For more information and a complete schedule, visit www.nashuarpc.org/hhw.

Low Impact Development Guidebook - NRPC is drafting a guidebook to help communities understand and implement techniques related to low impact development (LID). LID is commonly used to meet stormwater management goals and improve water quality.

Agricultural Assistance - As part of a Community Technical Assistance Program (CTAP) grant to assist the communities of Pelham, Litchfield and Hudson, NRPC staff held an Agriculture Commission Workshop at NRPC on May 24. Technical assistance was provided to Litchfield because of their extensive agricultural lands. A Farm Friendly survey was conducted; zoning and regulations reviewed; and agriculture inventory documents reviewed. Recommendations and comments were provided to the Planning Board for potential regulation and zoning amendments.

Development Review and Planning Services - Part of NRPC's comprehensive solutions is to offer direct local land use planning assistance. In addition to the services mentioned in the Introduction, the Town of Litchfield continues to utilize contract planning services to directly assist the Planning Board. Services include assistance to applicants in submitting subdivision or site plan applications, provide written reviews of submissions to the Planning Board, attend hearings and work sessions to assist and answer questions, and support the Board and Town staff in preparing notices draft amendments and warrants for Town Meeting.

GEOGRAPHIC INFORMATION SYSTEMS (GIS)

The GIS staff at NRPC continues to maintain a diverse collection of spatial databases including local roads, real property parcels, zoning, land use, and environmental conditions. This data is applied extensively to provide mapping and analysis for local and/or regional projects.

Completed regular maintenance tasks and performed updates to the Litchfield GIS data which is maintained by NRPC, including digitizing new roads, parcels, protected lands, zoning changes, trails, social service or child care providers, land use and other baseline data.

Updated the Town Zoning map and NRPC Standard Map Library for Litchfield. These four standard maps show the Town's Roads and Town Facilities, Environmental and Conservation Areas, Existing Land Use and an Aerial Image of the Town.

NRPC staff developed a map that shows all land parcels and how they relate to the 50, 150 and 250 foot Shoreland protection setbacks. Staff also developed an associated spreadsheet that lists all land parcels that are completely or partially in the various setbacks. The map and spreadsheet will be used by NRPC circuit rider and Litchfield Planning Board for future planning in Litchfield.

This year NRPC worked with the town assessor and the Registry of Deed database to update the town digital parcel map to include all changes to property data. This item is a critical component of many projects conducted in the town and is always available to the town from NRPC free of charge.

Updated online Google Maps NRPC Traffic Count application. At the end of the traffic counting season, GIS staff uploaded all current data to Google maps web application, showing the latest 24-hour and hourly counts for every location in Litchfield and the rest of the NRPC region.

Continued to update and expand the local annotation layers for improved clarity, accuracy and detail in mapping tasks.

Completed regular maintenance tasks and performed updates to the Litchfield GIS data which is maintained by NRPC, including digitizing new roads, parcels, protected lands, zoning changes, trails, social service or child care providers, land use and other baseline data. Continued to update and expand the regional annotation layers for improved clarity, accuracy and detail in mapping tasks.

CTAP Open Space Plans - NRPC created Open Space Plans for the Town of Litchfield as part of the CTAP planning process. The goal is to create a Green Infrastructure overlay of important lands for protection and to identify priority areas or parcels. The process was Geographic Information System (GIS) and mapping intensive. A co-occurrence analysis was conducted the Town using important environmental layers identified by an Open Space committee. Typical layers include aquifers, floodplain, wetlands, important habitat, developable areas, and others. The co-occurrence analysis consists of overlaying multiple datasets or map layers to identify the amount of coincidence or overlap on any given location. Products for this process include a final report, a map identifying a Green Infrastructure overlay, and a map identifying priority areas or parcels.

For more information contact Kerrie Diers, Executive Director at 603-424-2240, ext. 12 or via email at kerried@nashuarpc.org or visit the NRPC website at www.nashuarpc.org.



ANNUAL REPORT OF THE SOUTHEASTERN NEW HAMPSHIRE HAZARDOUS MATERIALS DISTRICT

Richard Hartung
Selectman, Hampstead
Chairman, Board of Directors

Chief Thomas McPherson, Jr.
Windham Fire Department
Chairman, Operations Committee

About the District:

The District's membership is made up of 15 communities of approximately 360 square miles with a population of over 180,000 people within the Route 93 corridor. Essentially the District is bordered in the east by Route 125 and the Merrimack River to the west. North and south borders are defined by Manchester, Route 101 and the Massachusetts state line. The District was formed in 1993 to develop a regional approach in dealing with the increasing amounts of hazardous materials being used and transported within these communities. This District is recognized by the State of New Hampshire as the Regional Emergency Planning Committee (REPC) for the member communities. The REPC which consists of representatives from local government, industry, and the general public is working with industry to comply with federal regulations for the reporting of chemicals used within and traveling through the District.

The District draws its funding from an annual assessment from each community as well as from grants and donations. In 2010 the District applied for and received federal grants for equipment, training, and operational expenses totaling \$151,707.00. The Fire Chiefs from each of the member communities' make-up the Operations Committee of the District. This Operations Committee is overseen by a Board of Directors consisting of elected representatives from each community, who approve the budget and any changes to the bylaws. The Executive Board of the Operations Committee which consists of the Chairman, Vice-Chairman, Treasurer, Technician Team Liaison, and one Member at Large, manages the operations of the District within the approved budget. The District employs a part-time REPC Director to manage the administration functions of the District, including grants management, financial management, and emergency planning.

The Emergency Response Team:

The District operates a technical emergency response team. This response is overseen by one of the member community's Chief Fire Officer who serves in the Technical Team Liaison position. The team maintains a four level readiness response posture to permit it to immediately deploy an appropriate response to a District's community's request for help involving an unplanned release of potentially dangerous chemicals within their jurisdiction. While the team primarily prepares for response to unplanned accidental chemical releases it is equipped and trained to deal with a variety of weapons of mass destruction (WMD) scenarios. The team maintains a host of specialized response equipment to deal with chemical and environmental emergencies.

The Emergency Response Team is made up of 39 members drawn from the ranks of the fire departments within the District. The team consists of 6 Technician Team Leaders, 28 Technician Level members, 5 Communication Specialists, and 3 Information Technology Specialists. In addition to members drawn from member fire departments, the team also includes members from various backgrounds that act as advisors to the team in their specific areas of expertise. These advisors include an industrial chemist, and several police officers.

The Team maintains a fleet of vehicles and specialized equipment with a value of close to \$1,000,000. The vehicles consist of a Mobile Command Support Unit, 2 Response Trucks, 2 Spill Trailers, an Entry/Intervention Trailer and a Mobile Decontamination Trailer. This mobile apparatus carries the team's equipment which includes chemical detection and identification instruments, containment supplies, plugging, patching and intervention supplies, communication equipment, computer based and other chemical reference guides as well as chemical protective equipment. The team equipment is stored at various locations within the District, allowing for rapid deployment when the team is activated. Activation of the team is made by the request of the local incident commander through the Derry Fire Department Dispatch Center.



ANNUAL REPORT OF THE SOUTHEASTERN NEW HAMPSHIRE HAZARDOUS MATERIALS DISTRICT

(Continued)

Response Team Training

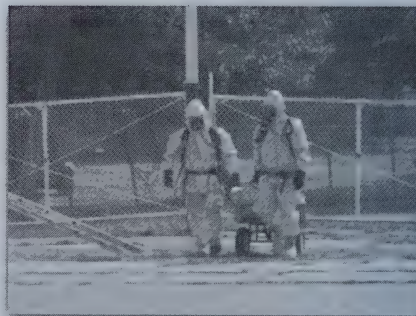
In 2010 the Emergency response team completed 1808 hours of training during monthly training drills and specialized classes attended by team members. This training included confined space entry, hazardous materials operations, Level A entry drills, radiation detection equipment operations, chemicals identification, facility familiarization, transportation emergencies, Incident Command. Additionally training was provided by the Domestic Preparedness Equipment Training Assistance Program on various chemical detection equipment, Weapons of Mass Destruction, Personnel Protective Equipment, and "Hot Area Operations".

The Team also provided 88 hours of instruction to member fire departments, in various Hazardous Materials subjects, including on-scene operations and decontamination. The District in conjunction with the International Association of Firefighters provided an 80 hour Hazardous Materials Technician Class to 27 members of member fire departments.

Emergency Responses

In 2010 the Team responded to 19 incidents within the District. These incidents included requests for technical assistance for member departments where a Response Team Leader provides consultation to the fire department on the handling of an incident. Additional responses included incidents involving the identification of spills of unknown substances, hydrocarbon spills, large propane and natural gas leaks and response of the mobile command post to support departments during large scale incident.

For further information about the Southeastern New Hampshire Hazardous Materials District please visit our website at www.senhazmat.org.



Pictures from Southeastern NH Hazmat website
www.senhazmat.org



LITCHFIELD FIRE-RESCUE SERVICES ANNUAL REPORT- 2010

Honorable Members of the Board of Selectmen
Litchfield Residents

Ladies and Gentlemen:

It is my pleasure to present the 2010 annual report for the Fire-Rescue Services to you. During 2010, the department responded to 778 incidents of various types and durations. In spite of the many financial challenges the Fire Department faced during 2010, I am happy to report the Fire Department **returned \$25,000** of unexpended funds to the town treasury. Also worth noting, the Fire Department's 2011 funding request is within \$500 dollars of FY2010. We clearly understand times are tough and we are certainly doing our part.

Paramedic Training Update

Firefighter Jim Rea has completed his in-class course studies and is very much on track to complete his required field training. My expectation is he will be providing Paramedic services to Litchfield in the early to late spring. In conjunction with having Jim trained as a paramedic and the voter's approval for the purchase of a rescue truck, our services and the way we deliver them to you, in my opinion, will be greatly enhanced. As a department we could not do this without your support, and we thank you again for the approval of the rescue truck that is due to be here as planned this spring.

The fourth annual training trip to the National Fire Academy in Emmetsburg, Maryland was time well spent and very successful. This year, I was joined by one of my Lieutenants and 6 of my firefighters. The weekend offered training on many subject matters from Strategy and Tactics of Initial Company Operations to Safety Officer Training. Litchfield was represented in every area of training offered that weekend. Plans are currently being finalized for the 2011 trip that will occur the weekend of September 23rd.

The Fire Department continues working on an initiative to certify various groups and civic organizations within the community in the use of AED's (automated external defibrillators), basic first aid and CPR (Cardiopulmonary Resuscitation). In 2010, the department trained 50 more people in these life saving techniques. I would encourage anybody interested in receiving this training to drop me an email at Litchfieldc1@comcast.net.

This year, our Fire Prevention Week activities kicked off with the annual fire truck parade through town which is always well received. Presentations on fire safety were made at all the schools teaching children from kindergarten through 5th grade. The Annual Fire Station Open House to remind everyone to be fire safe throughout the year was held on December 8th

Following this report you will find additional reports from Captain Doug Nicoll (Full-time), Captain Michael Croteau (Training), and Full-time Firefighter James Rea on various topics on their area of responsibilities and two reports, one from Firefighter Robert Desmond on a special training project he undertook and one from Firefighter Kelly Smith on the Three-Day Training Classes at the National Fire Academy.

In closing, I wish to sincerely thank the firefighters and their families for their countless hours of service in responding to the community's needs day and night. As the town continues to grow, so do the number of emergency incidents they respond to while still holding their regular jobs. It becomes increasingly difficult for them to balance their very limited free time with the almost daily responses to emergency calls and training.

I would also like to recognize and thank, Jason Hoch, the town's new administrator for all he has done to help me and my department.

Lastly, I would like to thank all the other boards, commissions and committees in town for their support and cooperation throughout the year, and to you the voters/ taxpayers for demonstrating your trust in me by returning me to a three year term as Fire Chief.

Respectfully Submitted,

Thomas B. Schofield
Fire Chief



2010 FULL-TIME CAPTAIN'S REPORT

Submitted by Captain Doug Nicoll

The full-time Captain is in charge of the day to day operations of the fire station. Working under the direction of the Fire Chief, the Captain's primary duty is to respond to emergencies and directs personnel in extinguishing fires and the saving of lives and property. He supervises, trains, department personnel, and assumes command of the department in the absence of the Deputy Chiefs or Fire Chief. He is the full-time Firefighter/EMT's direct supervisor.

Some of the duties of the full-time staff include apparatus fleet maintenance and minor repair. Scheduling/drop off/pick up of apparatus from repair facilities for preventative maintenance. Each day, a specified fire truck and its equipment are checked, run to ensure operational readiness. The fleet consists of (5) fire trucks, (3) support vehicles, (2) boats, (2) specialized trailers.

Administrative duties include:

- Scheduling of firefighters to cover sick time, vacation coverage, apparatus repair drop off / pickup.
- Scheduling of annual preventative maintenance for the department's air breathing compressor system, firefighting air-packs and required fire truck pump testing.
- Deals with insurance company requests for information for setting homeowner insurance rates, accidents and fire claim reports.
- Reporting of all fire and medical calls monthly to the State Fire Marshal's Office as required for the National Incident Reporting System. Information obtained through these reports tracks trends and allows the town to apply for fire grants.
- Schedules and conducts Life Safety Inspections for foster care, child care, woodstove & pellet stove inspections, oil burner & propane furnace replacement inspections for compliance with the NH State Fire Code.
- Assigns all street numbering for new development within the town. Town liaison to the State for all E 9-1-1 addressing and discrepancies for police, fire and new service requests. Required to research and correct addressing issues within 24-48 hour period report discrepancy is received.
- Builds and maintains town distributed street directory and fire hydrant locations. New streets are then forwarded and requested to be added to both our emergency dispatch service (Hudson Fire) and to the E 9-1-1 database.
- Maintains, services, updates, and programs all fire department mobile radios, portable radios and emergency alert pagers. The same service is also provided as needed to the highway, building and police department radios.
- Assesses daily fire danger threat for all outside burning through state website, other weather outlets to determine if conditions are safe to issue fire burning permits.
- Issues daily fire danger potential via email to fire department employees and residents who have signed up to receive these updates.
- Attends meetings with various organizations as needed.
- Re-stocks & orders medical supplies, and minor tools. Gets quotes and pricing for new and replacement fire equipment.
- Works with the schools and school superintendant to determine classroom capacities at each school as rooms are re-allocated for new or different uses.
- Pre-inspects each school prior to school openings to check for safety violations and that all fire suppression equipment and warning devices are operating correctly.
- Issues all Place of Assembly Permits for required for schools, churches, restaurants in town.
- Holds fire evacuation drills during the school year and provides fire prevention classes to kindergarten thru 5th grade children.
- Runs and teaches Seasonal Fire Permit classes to residents for campfire permits.
- Assists Fire Chief with special projects and tasks as needed.

During 2010, the department faced many challenges. Full-time Firefighter/EMT-I Jim Rea started paramedic classes every Monday for the last year which required the hiring of many substitute employees to work his Monday shifts. Some of Jim's collateral duties including the mandatory incident reporting of all emergency calls to the State Fire Marshal's Office for the National Incident Reporting System (which accounts for almost 800 calls) became part of my duties. During this past year many large projects were tackled including the re-programming of all fire, highway,



2010 FULL-TIME CAPTAIN'S REPORT (Continued)

building and school department radios under the State of NH Statewide Reprogramming initiative. The Fire Department has a total of 65 programmable mobile and portable radios. 13 Mobiles are on fire dept vehicles, 9 mobiles are in personal vehicles and 43 portable radios are distributed between fire apparatus. The other town departments make up for an additional 7 mobile radios. We also maintain the fire department's 45 programmable tone activated emergency pagers. This year required some software updates and reprogramming be performed. Radio maintenance and updates are on-going to keep the pace of area departments we receive and give mutual aid. These communities often make changes to their radio systems which require us to make the same change to allow us to communicate with them.

Another large project that is in the process of being completed this year is the remapping of every home address and fire hydrant location in town for the E 9-1-1 system. I started ongoing communications with the state early in the year to have the town resurveyed due to the large amount of new streets, houses, fire hydrants which have been added since the town was first mapped in the early 90's. This updated information being collected will provide more accurate information to emergency responders and give the town free maps showing exact locations which can be used by all town departments for use on other projects.

One other big change was the State Fire Marshal's requirement that all public & private schools be inspected yearly after the school year begins and fill out their provided online report to their office by a specified date annually. Litchfield Fire has been one of only a few departments in the state who has been inspecting our schools for over 25 years. We conduct school inspections of all 5 schools in August prior to school opening to make sure the buildings are up to code before they are allowed to open. Because of this new state requirement, all schools are inspected twice in 4 months. This doubles our work load and requires two separate, different reports per school be written. All of these responsibilities in this article are handled by two full-time employees. The full-time staff responds to approximately 30% of the departments 700 plus emergency calls per year.

2010 TRAINING REPORT

Chief Schofield;

It is my pleasure to present to you a report concerning the training the department experienced for the year 2010. This was my first year in many years as the training officer for the Litchfield Fire Department. I felt it to be a privilege and an honor to serve in this capacity.

The training committee consists of LT Bill MacInerney, LT Tim Richardson and I as the lead. We also employed various members of the department to assist in the planning and execution of the training. I would like to recognize Deputy Paul Allard, Deputy John Travis, Captain Doug Nicol, FF Jim Rea, FF Ted Farnham, FF Jeff Newell, FF Glen Gaumont, and FF Pierre Garrand who were instrumental in making the training a success.

As you requested, we developed a training outline that covered the entire year, keeping to your requirement of at least one to two training session a month, each session being 2 to 3 hours in duration. We also worked hard to try to keep the labor cost for training to your budgeted limit of \$19,000 or below. The committee was able to come up with 18 scheduled training sessions of which the department was able to complete 14. There were 4 scheduled sessions that had to be canceled for reasons beyond our control, such as weather and scheduling conflicts. One was canceled due to an equipment failure. To make up for the canceled sessions, we added 5 optional training sessions that ranged from pump training to auto extrication scenarios.

I would like to point out some of the training highlights for the year.

In April 7 members attended classes at the National Fire Academy in Emmitsburg MD.

The classes attended were Strategy and Tactics for Initial Company Operations and Fire Prevention for First Responders and Small Department.

In May the department sent 5 members to a swift water rescue class sponsored by the Bedford NH Fire Department. This class was a certified technician level class focusing on river rescue techniques and rescuer safety.



2010 TRAINING REPORT (Continued)

In June the fire department completed a Hazmat recertification class provided by the Southeastern New Hampshire Hazardous Materials Mutual Aid District. This recertification is a requirement for members of the district and is done every 2 years.

In July we were able to hire Ben Selleck of Rescue International to provide us with Back yard swimming pool safety and rescue techniques.

This past year of training was very successful and very well attended by the members of the Fire Department. The committee continues to work hard to bring high quality training to the members and the planning for 2011 is progressing well. Two examples on the drawing board are the flash over training provided by the State of NH Fire Academy and combined operations at the Nashua Training Grounds.

I look forward to serving next year as the training officer with all the challenges and excitement that goes along with being a member of the Litchfield Fire Department.

Respectfully Submitted

Mike Croteau
Training Officer
Litchfield Fire Department

PARAMEDIC TRAINING REPORT

Submitted by Firefighter James Rea

12/31/2010

Per the approved town warrant article, Firefighter Rea applied to and was accepted to the Monday 2009-2010 Paramedic Program at the New England EMS Institute at 33 South Commercial Street in Manchester, NH.

Class Began Monday August 3rd, 2009. Class was held each Monday from 9:00AM till 5:00PM. Firefighter Rea completed approximately 547 hours of classroom time. The classroom portion of the course ended at graduation on December 16th, 2010.

The course was comprised of 10 separate modules of study.

Module 1 (August 3rd, 2009 – October 5th, 2009):

- Orientation
- Introduction to ALS
- Well Being of the EMT-P
- EMS Systems
- Roles and Responsibilities
- Illness & Injury Prevention
- Medical Terminology
- Physiology
- Cell and Cellular Environment
- Pathophysiology
- Disease Causes
- Hypoperfusion
- Body's Defense Against Disease and Injury
- Medical/Legal
- Ethics
- Infectious Disease

Module 2 (October 5th, 2009 – November 30th, 2009):

- Pharmacology
- Medication Administration

Module 3 (November 30th, 2009 – January 25th, 2010)

- Airway Management
- Rapid Sequence Intubation
- Clinical Orientation
- Patient Assessment

Module 4 (January 25th, 2010 – March 29th, 2010):

- Cardiology
- ACLS

Module 5 (March 29th, 2010 – May 17th, 2010):

- Gynecology
- Obstetrics
- Neonatology
- Pediatrics
- PALS

Module 6 (May 17th, 2010 – July 12th, 2010):

- Neurology
- Pulmonology
- Endocrinology
- Allergies and Anaphylaxis
- Gastroenterology



PARAMEDIC TRAINING REPORT (Continued)

Module 7 (July 12th, 2010 – August 23rd, 2010):

- Hematology
- Toxicology
- Substance Abuse
- Urology
- Nephrology
- Psychiatric/Behavioral Emergencies
- Environmental Emergencies

Module 8 (August 23rd, 2010 – October 18th, 2010):

- Trauma and Trauma Systems
- Blunt Trauma
- Hemorrhage and Shock
- Burns
- Penetrating Trauma
- Soft Tissue Trauma
- Musculoskeletal Trauma
- Spinal trauma
- Advanced Spinal Assessment

- Thoracic Trauma
- Abdominal Trauma
- Head, Neck, and Face Trauma
- Traumatic Brain Injury
- ITLS

Module 9 (October 25th, 2010 – November 15th, 2010):

- Rural EMS
- Abuse and Assault
- Crime Scene Awareness
- Medical Incident Command
- Mass Casualty
- HAZ-MAT

Module 10 (November 15th – December 6th):

- Skills Lab
- Final Written Exam
- Final Practical Exam

While in class each Monday, the warrant article budgeted for another Firefighter to cover this shift.

648 hours of clinical training is also required to receive certification of course completion. 408 hours have been completed which includes all Hospital time. 240 hours of Ambulance ride time still need to be completed.

Hospital clinical time included 224 hours in the Emergency Department, 56 hours between the ICU and CICI, 16 hours in Cardiology, 8 hours in respiratory, 24 hours in Labor and Delivery, 32 hours between Pediatrics and NICU, 32 hours in the Operating Room, 8 hours with Concord Enhanced 911 Communications and 8 hours in the Psychiatric unit.

OPTIONAL TRAINING REPORT

Training in the fire service is essential to the building of a better, stronger and more educated department. This is why when the opportunity came up to assist Chief Schofield in running several optional trainings for the department I was very willing to work with him on this endeavor.

After speaking with several of the firefighters, there was an overwhelming request for more hands-on basic fire ground training. This type of training can be difficult to execute, as there are limited actual buildings in which to train. Chief Schofield was very instrumental in working with Sousa Realty to secure some modern framed homes in a new developed 55 and older community for these trainings.

Topics for the first training night on fire ground operations consisted of apparatus placement, hose handling, water supply, ventilation, ladder handling, and air management. This night would let some of the newer firefighters on the department show us their newly acquired academy skills and also allowed us to see how they worked as a team in a firefighter setting. The night was filled with great learning experiences for the firefighters still on probation all the way to the seasoned veterans. We worked as a team to solve problems and to learn new ways to tackle many of the obstacles we encountered such as moving charged lines around obstacles, getting through 16" on center walls, safely maneuvering stairs and radio communications. Input was given by all and much was learned.

With great interest from the first night, a 2nd optional training was scheduled with much input from the firefighters who attended the 1st. Again, Chief Schofield stepped up and was able to secure us a structure through Sousa Realty.



OPTIONAL TRAINING REPORT (Continued)

The 2nd night was planned for more fire ground operations with 2 hose mazes and a search and rescue course. We went over several techniques on how to use the hose to help with self rescue like follow "bumps to the pumps" and not to leave your line, and to use the buddy system. This night could not have been accomplished as efficiently without the generosity of Bedford Fire who came to town with their cascade system to help us with the refilling of air cylinders. This was very instrumental in our training so we had proper air supply on scene (as opposed to having to fill at the station). Again, the night was a success based on the firefighters' reaction, they worked hard, had marked improvement in air management, and all worked well as a team to help each other though the complicated obstacles that were made.

These additional optional hands on training should continue. Not only did I enjoy working with Chief Schofield; I enjoyed working with the guys and watching the department grow and work as a team. I think with continued support from the department, community and our mutual aid counterparts; we can continue to have successful training such as these.

Firefighter Rob Desmond

NATIONAL FIRE ACADEMY TRAINING REPORT

In April 2010 eight representatives from the Litchfield Fire Department traveled to Emmetsburg, Maryland to spend a weekend participating in their annual "Two State Weekend" offered as part of a program that allows local responders the opportunity to attend classes at the National Fire Academy (NFA - www.usfa.dhs.gov/nfa/). The program is referred to as the "Two State Weekend" because the NFA opens its doors to members of fire departments from two states at a time for weekend training as opposed to the normal courses it offers that occur over several weeks and months. Usually, during the Two State Weekend that NH attends, Vermont is the other state invited. However, in 2010 the Two State Weekend consisted of NH and Alabama.

The course work consists of 16 intensive hours of classroom instruction during a Saturday and Sunday. Classes covered topics including strategies, tactics, preparation, training, leadership, decision making, prevention, and investigation. In addition to the instructor based learning covering these topics and more, many participants come away having gained valuable knowledge from the discussions and debates around many of the scenario based activities and having learned from each other. Classroom sessions often include great discussions where members of different departments share experiences and learn from each other. Having the opportunity to share ideas on different tactics, equipment, and situations, not only with neighboring towns within NH, but also with members of departments from another state such as Vermont or Alabama provides a unique opportunity hear some very different perspectives and experience from those in the fire service.

These discussions and opportunities to share ideas are not limited to being held during classroom room time though. The NFA Two State Weekend is a "residential" program in that all participants stay in the on campus dormitory housing and eat together at the on campus cafeteria (the cost of room and board is included in the price of course tuition). Instructors and students are welcomed on Friday night with an opening ceremony/presentation and everyone is invited to gather for dinner. Classes begin the following day promptly at 8 a.m.

The NFA campus is home to the National Fallen Firefighters Foundation as well as the National Fallen Firefighters Memorial. Plaques encircling the monument at the memorial list the names of the men and women of the fire service who have died in service to their communities since 1981. Whenever a firefighter dies in the line of duty, fire officials post a notice of the death at the monument and lower flags at the site to half-staff. After class on Saturday evening a special ceremony is held at the memorial to specifically remember and pay tribute to the firefighters from the states in attendance that have made the ultimate sacrifice during the past year.

Firefighter Kelly Smith



TOWN CLERK AND TAX COLLECTOR ANNUAL REPORT

Motor Vehicle Registrations: Residents of Litchfield have more options when it comes time to renewing registrations. You may come to the office and pay with either cash, check or credit card (MC, Discover or Amex), surf to www.litchfield.nh.gov and renew online using your checking account or, new this year MC, Visa, Discover or Amex (your decals are mailed to you), or renew by mail using a check and the renewal notice and return in the envelope provided to you.

Litchfield is on-line with the State of New Hampshire so we are able to register vehicles up to 26,000 pounds. We can issue vanity plates and we can renew those late renewals right here in our office.

Residents only have to write one check to the Town to pay for registrations now.

To register a Title Exempted Vehicle for the first time the law (RSA 261:2-a) requires that ***in addition to a bill of sale*** a person registering a 1996 Model Year vehicle (or older) must present additional documentation on the vehicle. The owner must present one of the following additional documents: a previously issued NH Registration (a photocopy is okay), a valid NH or Out of State Title (a photocopy is okay), or a completed "Verification of Vehicle Identification" form (Form 19A) which can be obtained from the Town Clerk's office, Police Department, or a local inspection station.

Inspection stickers for a vehicle renewal need to be in place by the 10th day of the following month of your renewal due date. Late renewals do not get a 10-day grace period. Every trailer and semi-trailer (including campers) with a registered weight of 3,001 pounds or greater shall be inspected (Saf-C 3209.06). Campers and motorcycles are to be inspected by July 1 of each year and will get a sticker with a number 6. All other trailers, such as utility trailers or snowmobile trailers, are inspected by birth month like regular vehicle registrations.

Internet users can go to the Department of Motor Vehicle site: www.egov.nh.gov/platecheck/pass.asp to check for initial plate availability. State of NH Motor Vehicle Agency phone numbers are: NH Title Bureau: 271-3111, Concord Motor Vehicle Registration: 271-2251, Walking Disability Desk: 271-2275, & TTD (hearing impaired): 1-800-735-2964. The closet driver licensing is done in Manchester, Milford, Salem and Concord.

Elections: There is only one election this year in March. Voting is the most fundamental right in a democracy because it is through voting that citizens protect all other rights by carefully selecting the public servants who guide and direct our self-governance. You can come to the Town Clerk's office to register to vote. You may also register to vote on Election Day. You are eligible to vote if you are 18 years of age or older on Election Day, are a US citizen and are domiciled in New Hampshire. A person can have several residences, but may have only one voting domicile. You have to provide your driver license or social security card at the time of registration. If you are currently on the checklist please check to update your information. Voter registration cards are now required by the State of NH to show place of birth and driver's license or social security number. Any change of address, name change, or party affiliation change should be updated with the Supervisors.

Vital Records: The fee for a marriage license this year has increased to \$50.00. There is a fee of \$15.00 for the first copy of a death, birth or marriage certificate and \$10.00 each for extra copies.

Dogs: There were 1,639 dogs licensed in 2010. **DOG TAGS EXPIRE APRIL 30 OF EACH YEAR.** Residents can renew dog licenses starting January 3rd. Due to budget restraints, we will not be sending out a reminder notice. This year, the Town Clerk will be at the annual Rabies Clinic to issue dog licenses. If you show the rabies certificate from the previous year the Vet can administer a 3-year rabies shot instead of the 1-year shot. There is a minimum of a \$25.00 fine for failure to register your dog in a timely manner plus monthly late charges. **If you no longer have your dog, please drop us a quick note to let us know. IMPORTANT:** Review your previous license to make sure that your dog's rabies vaccination is up-to-date. If you cannot find your vaccination certificate or license from 2008, call the office and we can research your records. You may renew your dog's license via the mail or new this year, the internet, as long as the rabies vaccine is up to date.



TOWN CLERK AND TAX COLLECTOR ANNUAL REPORT (Continued)

To register by mail please include: a check made payable to the Town of Litchfield (**NO CASH PLEASE**), and a self-addressed-stamped envelope for return of your new license and dog tag. To register via internet, go to www.litchfield-nh.gov and click on the icon of the dog.

License fees:	Puppies (3-7 months) or spayed/neutered over 7months	\$6.50
	Male / Female (not spayed/neutered)	\$9.00
	Senior owner (over 65) (for one dog)	\$2.00

NH Hunting, Fishing's Licenses and OHRV: In January 2008, the Town Clerk's office started issuing New Hampshire Hunting and/or Fishing License and in October 2009 we started issuing OHRV Licenses.

Town Clerk/Tax Collector News: As Town Clerk/Tax Collector for the Town of Litchfield, I completed four years of the state certification program in 2007. In 2010, I was recertified until 2015. I am now a Certified Town Clerk/Tax Collector in the State of New Hampshire. In 2009, I was nominated by the NH Tax Collectors Association as the Conference Coordinator for the State. It is a pleasure and honor to be a resident and public servant for Litchfield. I am very proud of where I grew up and currently reside. I am so proud to represent Litchfield at the meetings and conferences that I am required to attend throughout New Hampshire. My door is always open to anyone that has a suggestion.

Tax Collector Lien/Deed Calendar for 2010 **Dates and fees subject to change*

Jan – 2011	Delinquent notice of all taxes owed	No charge
February, 2011	Notice of impending lien certified to property owners	\$18.00
	2 nd or subsequent parcel	\$2.00
April, 2011	Notice of impending tax deed certified to property owners	\$16.00
April, 2011	Execution of Tax Lien	\$18.50
	2 nd or subsequent parcel	\$8.00
March, 2011	Identifying mortgagee holders (for Liens)	\$13.00
March-2011	Notice of executed tax lien to mortgagee holders	\$16.00
April, 2011	Identifying mortgagee holders (for Deeding)	\$18.00
April, 2011	Notice of impending tax deed to mortgagee holders	\$16.00
June, 2011	Execution of Tax Deed	\$10 plus recording fees



Town Clerk / Tax Collector Office Hours:

Monday 10:00 AM to 6:00 PM

Tuesday – Friday 7:30 AM to 3:00 PM

Address: 2 Liberty Way, Suite 3, Litchfield, NH 03052

Phone: (603) 424-4045

Fax: (603) 424-8154

Email: tbriand@litchfield-nh.gov

Town Clerk/Tax Collector Office Calendar for 2011 **dates subject to change*

December 31, 2010	CLOSED
January 17, 2011	Martin Luther King – CLOSED
February 12, 2011	Deliberative Session – Town-Campbell High 12:00 p.m.
March 10, 2011	Tax Lien Execution
February 21, 2011	President's Day - CLOSED
March 8, 2011	Town Election Day – Office Open
April, 2011	Rabies Clinic – Location Fur & Feathers Rte 102
May 30, 2011	Memorial Day – Office Closed
July 4, 2011	Independence Day- CLOSED
September 5, 2011	Labor Day- CLOSED
October 16 – 21. 2011	Annual Town Clerk/Tax Collector Conference – Office Open
November 11, 2011	Veteran's Day- CLOSED
Nov. 24-Nov. 25, 2011	Thanksgiving Holiday- CLOSED Office closes at 1:00 on Wednesday Nov. 24th
December 26, 2011	Christmas Eve –Closed

Respectfully Submitted,

Theresa L. Briand, Town Clerk/Tax Collector



RESIDENT MARRIAGE REPORT

Name	Residence	Name	Residence	Issuance	Marriage	Marriage
MCALLISTER, KELLY A	LITCHFIELD, NH	TINKHAM, KAREN M	LITCHFIELD, NH	LITCHFIELD	NASHUA	01/01/2010
HARMON, ROBERT M	LITCHFIELD, NH	MITCHELL, PAMELA R	LITCHFIELD, NH	HUDSON	MEREDITH	01/01/2010
WARENDA, ROBERT J	WASHINGTON, NH	JOLLYMORE, KERRI L	LITCHFIELD, NH	LITCHFIELD	HUDSON	04/10/2010
ISAACS, DAVID E	LITCHFIELD, NH	ISAACS, TARA	LITCHFIELD, NH	NASHUA	NASHUA	04/23/2010
HUGHES, SEAN P	LITCHFIELD, NH	HADDAD, TASHA M	LITCHFIELD, NH	NASHUA	HUDSON	05/15/2010
WHITING, CAROLE L	LITCHFIELD, NH	KOSTRZEWA, VICTORIA A	LITCHFIELD, NH	LITCHFIELD	LITCHFIELD	05/25/2010
HARMON, DANIEL L	KNOXVILLE, TN	NEFF, TIFFANY A	LITCHFIELD, NH	LITCHFIELD	LONDONDERRY	06/05/2010
DAVIDSON, REBECCA	LITCHFIELD, NH	OTTMAN, SHAWN D	LITCHFIELD, NH	LITCHFIELD	DERRY	07/02/2010
PARTIN, DAVID W	LITCHFIELD, NH	SMITH, MICHELLE M	LITCHFIELD, NH	LITCHFIELD	LITCHFIELD	07/24/2010
PATTEN, CHRISTOPHER S	LITCHFIELD, NH	HOGAN, KRISTEN L	LITCHFIELD, NH	NASHUA	WINDHAM	07/31/2010
WEBER, JOHN F	LITCHFIELD, NH	SPENCE, STEPHANIE R	HOOKSETT, NH	LITCHFIELD	PELHAM	08/08/2010
FLETCHER, NATHAN T	LITCHFIELD, NH	BUKALA, JENNIFER L	LITCHFIELD, NH	HUDSON	LINCOLN	08/21/2010
SHELTON, CHRISTOPHER P	LITCHFIELD, NH	RILEY, CRYSTAL D	LITCHFIELD, NH	LITCHFIELD	RINDGE	08/21/2010
ROUSSEAU, DAVID D	LITCHFIELD, NH	MARTIN, DENISE E	LITCHFIELD, NH	NASHUA	MANCHESTER	08/28/2010
LAMALFA, CHRISTOPHER S	LITCHFIELD, NH	GREEN, VANESSA E	LITCHFIELD, NH	LITCHFIELD	NASHUA	09/03/2010
COATES, NICOLE	LITCHFIELD, NH	WILSON, MICAH J	LITCHFIELD, NH	LITCHFIELD	HUDSON	09/04/2010
TASCHEREAU, PAUL D	LITCHFIELD, NH	SAUCIER, SHELLEY A	LITCHFIELD, NH	LITCHFIELD	WINDHAM	09/10/2010
WICKENS, HEATHER E	LITCHFIELD, NH	PROCTOR, ROBERT L	LITCHFIELD, NH	LITCHFIELD	GOFFSTOWN	09/24/2010
LAINÉ, JOSHUA D	LITCHFIELD, NH	LISIEN, HEATHER M	LOWELL, MA	HUDSON	NASHUA	09/25/2010
BISSETT, JEFFREY A	LITCHFIELD, NH	MURROW, JOEL A	LITCHFIELD, NH	LITCHFIELD	ALBANY	10/02/2010
GILMORE, WENDY A	LITCHFIELD, NH	CHARBONNEAU, CHAD R	LITCHFIELD, NH	LITCHFIELD	LITCHFIELD	10/02/2010
BROWNE, THOMAS J	LITCHFIELD, NH	FURMAN, TRISHA L	LITCHFIELD, NH	LITCHFIELD	NASHUA	10/03/2010
CORMAN, LAURA A	LITCHFIELD, NH	HUBELBANK, DAVID	LITCHFIELD, NH	LITCHFIELD	HENNIKER	10/10/2010
MERROW, CASANDRA L	LITCHFIELD, NH	ULLIANI, LEE P	LITCHFIELD, NH	LITCHFIELD	HUDSON	11/13/2010

Total number of records 24



RESIDENT BIRTH REPORT

Child's Name	Birth Date	Birth Place	Father's/Partner's Name	Mother's Name
BOURQUE, ZOE ADDISON	01/01/2010	MANCHESTER, NH	BOURQUE, BRIAN	BOURQUE, JENNIFER
ASARA, ASHLYN PAIGE	01/21/2010	MANCHESTER, NH	ASARA, CHRISTOPHER	ASARA, KELLY
GUERTIN, JASON DANIEL	01/29/2010	NASHUA, NH	DOAK, HEATHER	
MCSORLEY, CECILIA ROSALBA	02/20/2010	MANCHESTER, NH	MCSORLEY, MATTHEW	MCSORLEY, OLGA
CARON, AVA ANN	03/03/2010	MANCHESTER, NH	CARON, JASON	CARON, PAULA
MOLINO, LANDYN HUNTER	03/05/2010	NASHUA, NH	MOLINO, ROBERT	WARNER, STEPHANIE
HATCH, HALEIGH ALISON	03/15/2010	NASHUA, NH	HATCH, TIMOTHY	HATCH, NICOLE
LEONARD, JORDYN MARIE	03/16/2010	MANCHESTER, NH	LEONARD, CHRISTOPHER	LEONARD, JENNIFER
CHANNEN, SERENA ELIZABETH	03/16/2010	MANCHESTER, NH	CHANNEN, MICHAEL	CHANNEN, SONYA
OUELLETTE, JENNIFER CIVITINA	03/17/2010	NASHUA, NH	OUELLETTE, SCOTT	OUELLETTE, ALISON
O'BRIEN, JAMES TERRENCE	03/22/2010	NASHUA, NH	O'BRIEN, MICHAEL	O'BRIEN, KATHERINE
MAPPLEBECK, ELIZABETH JADE	03/23/2010	NASHUA, NH	WEAVER, JAMES	MAPPLEBECK, JESSICA
HARMON, LILIANA SUSAN	04/04/2010	MANCHESTER, NH	HARMON, RALPH	ALEXANDER, JOHANNA
MCHUGH, TYLER JACKSON	04/05/2010	MANCHESTER, NH	MCHUGH, PETER	MCHUGH, JENNY
NOEL, CAMERON LAINE	04/16/2010	MANCHESTER, NH	NOEL, JEFFREY	NOEL, RUBY
PARISI, SYDNEY LYNN	04/19/2010	DERRY, NH	PARISI, ROSARIO	PARISI, CATHY
SHEUCHENKO, BRODY CHRISTOPHER	04/23/2010	NASHUA, NH	SHEUCHENKO, CHRISTOPHER	SHEUCHENKO, NICOLE
BRENNAN, HUNTER ROBERT	04/25/2010	MANCHESTER, NH	BRENNAN, SCOTT	VAUGHN, CHRISTANDRA
BLAIS, ASHER BRADLEY DONALD	05/15/2010	NASHUA, NH	BLAIS, CHAD	BLAIS, HEATHER
GARLAND, ABIGAIL MARIE	06/06/2010	NASHUA, NH	GARLAND, JACOB	GARLAND, LAURIE
SANTOM, SERAFINA BELLE LOUISE	06/10/2010	NASHUA, NH	SANTOM, PETER	SANTOM, CRYSTAL
TINKHAM, ALYSSA PAIGE	06/14/2010	MANCHESTER, NH	TINKHAM, JOSEPH	TINKHAM, KIMBERLY
GALPIN, PAYTON MADISON	06/17/2010	MANCHESTER, NH	GALPIN, SCOTT	GALPIN, AMANDA
OZMORE, ALISON GRACE	06/28/2010	MANCHESTER, NH	OZMORE, ROBERT	OZMORE, JILLIAN
WHITE, KYLIE NICOLE	08/09/2010	NASHUA, NH	WHITE, ROBERT	NEALE, JENNIFER



RESIDENT BIRTH REPORT (Continued)

Child's Name	Birth Date	Birth Place	Father's/Partner's Name	Mother's Name
GEHALA, GABRIEL MICHAEL	08/28/2010	NASHUA, NH	GEHALA, MICHAEL	GEHALA, AMELIA
CAMBRAY, KAYLEIGH HANA	09/01/2010	MANCHESTER, NH	CAMBRAY, NATHANIEL	CAMBRAY, CATHERINE
STEINIGER, AVA RAYNE	09/08/2010	NASHUA, NH	STEINIGER, JOHN	STEINIGER, AMY
BIRD, JAMESON ILLIS-ANTONIO	09/11/2010	NASHUA, NH	BIRD, JAMES	NICOLACE, BRIDGETT
LAMIE, ADRIANA ROSE	09/16/2010	MANCHESTER, NH	LAMIE, RYAN	MCCROSSIN, STACY
ROBITAILLE, GREYSON THOMAS	10/11/2010	EXETER, NH	ROBITAILLE, JEREMY	SECKENDORF, KARA
LEAOR, MAYA LEIGH	10/28/2010	NASHUA, NH	LEAOR, CARLA	

RESIDENT DEATH REPORT

Decedent's Name	Death Date	Death Place	Father's Name	Mother's Maiden Name	Military
KNOWLES, IDA	01/01/2010	LITCHFIELD	MORRIS, FRANK	HAYES, ETHEL	N
DUCHESNE, NORMAN	01/03/2010	NASHUA	DUCHESNE, HENRY	HEBBELINCK, JULIENNE	N
MCQUARRIE, DOROTHY	01/13/2010	NASHUA	LUCE, FRANK	LASALLE, IDA	N
HOUSTON, MARK	01/23/2010	LITCHFIELD	HOUSTON SR, ALLAN	FORGERON, SHIRLEY	N
LOCKE, BRIAN	01/24/2010	NASHUA	LOCKE, CALVIN	LAMARCHE, EDNA	N
DIRITO, ANTHONY	01/25/2010	MERRIMACK	DIRITO, JOSEPH	TENAGLIO, MARIE	N
LYNCH, MARY	01/28/2010	LITCHFIELD	WEST, LEWIS	ALMIEDA, GENEVIEVE	N
SARFINE, MARJORIE	02/11/2010	MANCHESTER	LITTLE, THEODORE	DAMON, BERTHA	N
SWAIN, MOIRA	02/15/2010	LITCHFIELD	HALLY, THOMAS	BLANEY, NORA	N
BUELL, MARIA	02/24/2010	NASHUA	FISSETTE, EUGENE	LAUZIER, BEATRICE	N
GUINAN, PHILIP	03/05/2010	NASHUA	GUINAN, PHILIP	PARKER, LEAHY	N
JEWETT, WILLIS	03/06/2010	MERRIMACK	JEWETT SR, WILLIS	BROOKS, JENNIE	Y
BOUCHER, GEORGE	03/29/2010	NASHUA	BOUCHER, ARTHUR	TREMBLAY, EVA	Y



RESIDENT DEATH REPORT (Continued)

Decedent's Name	Death Date	Death Place	Father's Name	Mother's Maiden Name	Military
HESS, ROBERT	04/01/2010	NASHUA	HESS, JOHN	MURPHY, AGNES	Y
CZERNETZKY, AUGUSTE	04/09/2010	LITCHFIELD	VERHASSELT, GOTTFRIED	LUBERTINA, ADE	N
EATON, GERTRUDE	04/21/2010	MERRIMACK	GAGNE, GEORGE	ASHFORD, BEATRICE	N
FOURNIER, PHILIP	04/29/2010	MANCHESTER	FOURNIER, LOUIS	LEBEL, YVETT	Y
BERN, THOMAS	05/01/2010	LITCHFIELD	BERAN, TOMAS	BLAZEK, MARIE	Y
DUMONT, GLADYS	05/28/2010	NASHUA	BERARD, LEON	MARQUIS, CLARICE	N
ASHOOH, MILDRED	06/26/2010	MANCHESTER	BEAUDET, ALFRED	BLAIR, GRACE	Y
HARMAN, SUSANNE	09/11/2010	MERRIMACK	MCMICKLE, JOHN	MILLER, AVALON	N
HAMEL, JOHN	09/18/2010	NASHUA	HAMEL, WILFRED	WYCIK, PRISCILLA	N
BENNETT, MARY FRANCES	10/12/2010	MANCHESTER	NEWLANDS, WILLIAM	COX, MARY	N
WELCH, BARBARA	10/16/2010	MANCHESTER	ZAJECHOWSKI, STANLEY	NAWROCKI, LORETTA	N
MARCHENONIS, GERALDINE	10/19/2010	MANCHESTER	FEENEY, RAYMOND	HAMPSEY, VIRGINIA	N
MARKIEWICZ, CHESTER	10/28/2010	TILTON	MARKIEWICZ, JOSEPH	KULCZAK, DELIA	Y
BROWN, DAVID	12/12/2010	NASHUA	BROWN, HAROLD	PECTEAU, LILLIAN	Y
BUTLER JR, WILLIAM	12/21/2010	BEDFORD	BUTLER SR, WILLIAM	CARTER, NORA	Y

Total number of records 28



TAX COLLECTOR'S REPORT

MS-61

For the Municipality of

LITCHFIELD

Year Ending

12/31/2010

DEBITS

UNCOLLECTED TAXES AT THE BEGINNING OF THE YEAR*		LEVY FOR YEAR 2010	PRIOR LEVIES		
			2009	2008	2007+
Property Taxes	#3110	xxxxxx	\$ 502,806.92	\$ 0.00	\$ 0.00
Resident Taxes	#3180	xxxxxx	\$ 0.00	\$ 0.00	\$ 0.00
Land Use Change Taxes	#3120	xxxxxx	\$ 0.00	\$ 0.00	\$ 0.00
Timber Yield Taxes	#3185	xxxxxx	\$ 3,958.79	\$ 0.00	\$ 0.00
Excavation Tax @ \$.02/yd	#3187	xxxxxx	\$ 0.00	\$ 0.00	\$ 0.00
Utility Charges	#3189	xxxxxx	\$ 0.00	\$ 0.00	\$ 0.00
Betterment Taxes		xxxxxx	\$ 0.00	\$ 0.00	\$ 0.00
Prior Years' Credits Balance**		\$ 0.00			
This Year's New Credits		(\$ 26,565.03)			

TAXES COMMITTED THIS FISCAL YEAR

Property Taxes	#3110	\$ 15,242,303.50	\$ 0.00
Resident Taxes	#3180	\$ 0.00	\$ 0.00
Land Use Change Taxes	#3120	\$ 61,600.00	\$ 0.00
Timber Yield Taxes	#3185	\$ 330.73	\$ 4,363.19
Excavation Tax @ \$.02/yd	#3187	\$ 4,467.42	\$ 0.00
Utility Charges	#3189	\$ 0.00	\$ 0.00
Betterment Taxes		\$ 0.00	\$ 0.00

**FOR DRA USE
ONLY**

OVERPAYMENT REFUNDS

Property Taxes	#3110				
Resident Taxes	#3180				
Land Use Change	#3120				
Yield Taxes	#3185				
Excavation Tax @ \$.02/yd	#3187				
Credits Refunded		\$ 26,565.03	\$ 0.00	\$ 0.00	\$ 0.00
Interest - Late Tax	#3190	\$ 5,673.95	\$ 29,504.42	\$ 0.00	\$ 0.00
Resident Tax Penalty	#3190	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
TOTAL DEBITS		\$ 15,314,375.60	\$ 540,633.32	\$ 0.00	\$ 0.00

*This amount should be the same as the last year's ending balance. If not, please explain.

**Enter as a negative. This is the amount of this year's taxes pre-paid last year as authorized by RSA 80:52-a.

**The amount is already included in the warrant and therefore in line #3110 as a positive amount for this year's levy.

NH DEPARTMENT OF REVENUE ADMINISTRATION

MUNICIPAL SERVICES DIVISION

P.O. BOX 487, CONCORD, NH 03302-0487

(603)271-3397



TAX COLLECTOR'S REPORT

MS-61

For the Municipality of

LITCHFIELD

Year Ending 12/31/2010

CREDITS

REMITTED TO TREASURER	LEVY FOR YEAR 2010	PRIOR LEVIES		
		2009	2008	2007+
Property Taxes	\$ 14,775,982.14	\$ 287,985.96	\$ 0.00	\$ 0.00
Resident Taxes	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Land Use Change Taxes	\$ 61,600.00	\$ 0.00	\$ 0.00	\$ 0.00
Timber Yield Taxes	\$ 233.92	\$ 3,496.09	\$ 0.00	\$ 0.00
Interest & Penalties	\$ 5,673.95	\$ 29,504.42	\$ 0.00	\$ 0.00
Excavation Tax @ \$.02/yd	\$ 4,467.42	\$ 0.00	\$ 0.00	\$ 0.00
Utility Charges	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Converted To Liens (Principal only)	\$ 0.00	\$ 215,446.25	\$ 0.00	\$ 0.00
Betterment Taxes	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Discounts Allowed	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Prior Year Overpayments Assigned	\$ 0.00			

ABATEMENTS MADE

Property Taxes	\$ 5,533.50	\$ 0.00	\$ 0.00	\$ 0.00
Resident Taxes	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Land Use Change Taxes	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Timber Yield Taxes	\$ 0.00	\$ 4,200.60	\$ 0.00	\$ 0.00
Excavation Tax @ \$.02/yd	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Utility Charges	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Betterment Taxes	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
CURRENT LEVY DEEDED	\$ 118.00	\$ 0.00	\$ 0.00	\$ 0.00

UNCOLLECTED TAXES -- END OF YEAR #1080

Property Taxes	\$ 460,669.86	\$ 0.00	\$ 0.00	\$ 0.00
Resident Taxes	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Land Use Change Taxes	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Timber Yield Taxes	\$ 96.81	\$ 0.00	\$ 0.00	\$ 0.00
Excavation Tax @ \$.02/yd	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Utility Charges	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Betterment Taxes	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Property Tax Credit Balance*	\$ 0.00	xxxxxx	xxxxxx	xxxxxx
TOTAL CREDITS	\$ 15,314,375.60	\$ 540,633.32	\$ 0.00	\$ 0.00

*Enter as a negative. This is the amount of taxes pre-paid for next year as authorized by RSA 80:52-a.

(Be sure to indicate a positive amount in the Property Taxes actually remitted to the treasurer.)



TAX COLLECTOR'S REPORT

MS-61

For the Municipality of

LITCHFIELD

Year Ending 12/31/2010

DEBITS

UNREDEEMED & EXECUTED LIENS	2010	PRIOR LEVIES		
		2009	2008	2007+
Unredeemed Liens Beginning of FY	\$ 0.00	\$ 123,415.42	\$ 48,234.98	
Liens Executed During FY	\$ 0.00	\$ 231,081.73	\$ 0.00	\$ 0.00
Unredeemed Elderly Liens Beg. of FY	\$ 0.00	\$ 0.00	\$ 0.00	
Elderly Liens Executed During FY	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Interest & Costs Collected	\$ 0.00	\$ 9,611.75	\$ 20,027.66	\$ 18,695.67
TOTAL LIEN DEBITS	\$ 0.00	\$ 240,693.48	\$ 143,443.08	\$ 66,930.65

CREDITS

REMITTED TO TREASURER		2010	PRIOR LEVIES		
			2009	2008	2007+
Redemptions		\$ 0.00	\$ 130,554.60	\$ 74,496.96	\$ 47,965.36
Interest & Costs Collected	#3190	\$ 0.00	\$ 9,611.75	\$ 20,027.66	\$ 18,695.67
Abatements of Unredeemed Liens		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Liens Deeded to Municipality		\$ 0.00	\$ 289.05	\$ 288.54	\$ 269.62
Unredeemed Liens End of FY	#1110	\$ 0.00	\$ 100,238.08	\$48,629.92	\$ 0.00
Unredeemed Elderly Liens End of FY		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
TOTAL LIEN CREDITS		\$ 0.00	\$ 240,693.48	\$ 143,443.08	\$ 66,930.65

Does your municipality commit taxes on a semi-annual basis (RSA 76:15-a)? _____

Under penalties of perjury, I declare that I have examined the information contained in this form and to the best of my belief it is true, correct and complete.

TAX COLLECTOR'S SIGNATURE

Theresa L. Briand

DATE

Theresa L. Briand

MS-61



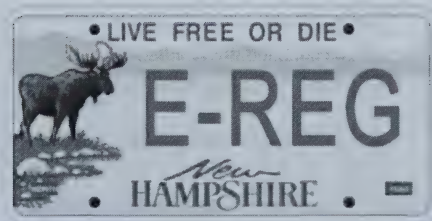
ANNUAL FINANCIAL REPORT
LITCHFIELD, NH TOWN CLERK
January 1, 2010 through December 31, 2010

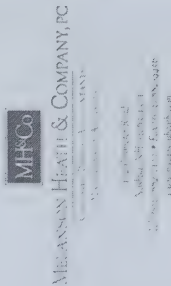
Dogs License	\$6,669.00
State of New Hampshire	\$3,845.00
Duplicate Tags	\$1.50
Fines and Penalties	\$4,685.00
Dredge and Fill Permits	\$10.00
Voter Checklists	\$25.00
Incorporation Filings	\$0.00
Motor Vehicles Registrations	\$1,194,463.74
State of New Hampshire	\$742,494.87
Electronic Registration fee (due to software company)	\$1,547.35
Municipal Agent Fees	\$29,478.00
Titles	\$3,200.00
Boats	\$21,045.95
Pole Permits	\$10.00
Postage	\$7,969.56
Hunting & Fishing Licenses	\$107.00
State of New Hampshire	\$2,642.50
Returned-Check Fees	\$808.54
UCCs	\$825.00
<u>Vital Records</u>	
Town	\$647.00
State of New Hampshire	\$2,018.00
Included in Office Deposits	\$2,022,493.01
Total Receipts	\$2,022,493.01

A true record of Town Clerk receipts, attest:

Theresa L. Briand
Town Clerk

January 10, 2011





INDEPENDENT AUDITORS' REPORT

To the Board of Selectmen
Town of Litchfield, New Hampshire

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Litchfield, New Hampshire, as of and for the year ended December 31, 2009, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Litchfield's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Litchfield, as of December 31, 2009, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis appearing on the following pages, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America.

Melanson Heath & Company, PC
Auditors
Andover, MA • Litchfield, MA • Etnaham, ME • Manchester, NH

We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Melanson, Heath & Company, P.C.

Nashua, New Hampshire
September 7, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Litchfield, we offer readers this narrative overview and analysis of the financial activities of the Town of Litchfield for the fiscal year ended December 31, 2009.

A. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The statement of net assets presents information on all assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities.

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vities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the government fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

An annual appropriated budget is adopted for the general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by accounting principles generally accepted in the United States of America.

B. FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$ 9,110,588 (i.e., net assets), a change of \$ (40,500) in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$ 2,747,795, a change of \$ (184,089) in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$ 860,797, a change of \$ (222,890) in comparison with the prior year.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of condensed government-wide financial data for the current and prior fiscal years.

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	2009	2008
Governmental Activities		
Current and other assets	\$ 7,348	\$ 7,736
Capital assets	5,945	5,917
Total assets	13,293	13,653
Long-term liabilities outstanding	70	89
Other liabilities	4,112	4,413
Total liabilities	4,182	4,502
Net assets:		
Invested in capital assets, net	6,463	6,263
Restricted	1,717	1,566
Unrestricted	931	1,322
Total net assets	\$ 9,111	\$ 9,151

CHANGES IN NET ASSETS

	2009	2008
Governmental Activities		
Revenues:		
Program revenues	\$ 139	\$ 106
Charges for services	14	1
Operating grants		
General revenues:	2,069	2,460
Property taxes	139	256
Penalties and interest on taxes	1,381	1,501
Licenses and permits	68	71
Investment income	836	799
Intergovernmental	63	52
Other		
Total revenues	4,709	5,276

Expenses:		
General government	1,126	1,230
Public safety	1,743	1,840
Highways and streets	1,154	1,156
Sanitation	314	424
Health and welfare	80	58
Culture and recreation	329	308
Conservation	3	3
Total expenses	4,749	5,021
Change in net assets	(40)	255
Net assets - beginning of year	9,151	8,896
Net assets - end of year	\$ 9,111	\$ 9,151

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net assets were \$ 9,110,589, a change of \$ (40,499) from the prior year.

The largest portion of net assets \$ 6,463,037 reflects our investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net assets \$ 1,716,242 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$ 931,310 may be used to meet the government's ongoing obligations to citizens and creditors.

Governmental activities. Governmental activities for the year resulted in a change in net assets of \$ (40,500). Key elements of this change are as follows:

General fund operating results	\$ (236,469)
Major funds operating results	67,902
Nonmajor funds operating results	44,468
Depreciation expense	(198,607)
Other GAAP accruals	342,205
Total	\$ (40,500)

D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$ 2,747,795, a change of \$ (184,099) in comparison with the prior year. Key elements of this change are as follows:

General fund operating results	\$ (296,469)
Major fund surplus	67,902
Nonmajor funds surplus	44,468
Total	<u>\$ (184,099)</u>

The general fund is the chief operating fund. At the end of the current fiscal year, unreserved fund balance of the general fund was \$ 860,797, while total fund balance was \$ 931,421. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 20 percent of total general fund expenditures, while total fund balance represents 22 percent of that same amount.

The fund balance of the general fund changed by \$ (296,469) during the current fiscal year. Key factors in this change are as follows:

State and local revenues deficit	\$ (62,194)
Budgetary appropriation turnbacks	83,318
Excess tax collections over budget	(66,717)
Excess of prior year encumbrances spent in the current year over current year encumbered appropriations to be spent in the subsequent year	(73,579)
Highway block grant	<u>(177,297)</u>
Total	<u>\$ (296,469)</u>

E. GENERAL FUND BUDGETARY HIGHLIGHTS

There were no differences between the original budget and the final amended budget.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental and business-type activities at year end amounted to \$ 5,945,412 (net of accumulated depreciation), a change of \$ 28,109 from the prior year. This investment in capital assets includes land, buildings and system, improvements, and machinery and equipment.

Major capital asset events during the current fiscal year included the following:

- Dump truck purchase \$ 118,525

Additional information on capital assets can be found in the footnotes to the financial statements.

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TOWN OF LITCHFIELD, NEW HAMPSHIRE STATEMENT OF NET ASSETS DECEMBER 31, 2009

	Governmental Activities
ASSETS	
Current:	
Cash and short-term investments	\$ 6,107,817
Investments	80,792
Receivables, net of allowance for uncollectibles:	
Taxes	481,766
Departmental and other	31,892
Intergovernmental	378,616
Other assets	20,680
Due from fiduciary funds	76,743
Noncurrent:	
Receivables, net of allowance for uncollectibles:	
Taxes	189,130
Capital Assets	
Land and construction in progress	3,500,534
Other capital assets, net of accumulated depreciation	<u>2,444,577</u>
TOTAL ASSETS	<u>13,292,537</u>
LIABILITIES	
Current:	
Accounts payable	244,034
Accrued liabilities	24,764
Other liabilities	13,268
Due to school districts	3,799,750
Current portion of long-term liabilities:	
Capital lease payable	27,166
Compensated absence	2,943
Noncurrent:	
Capital lease payable, net of current portion	14,115
Compensated absence, net of current portion	<u>55,519</u>
TOTAL LIABILITIES	<u>4,181,949</u>
NET ASSETS	
Invested in capital assets, net of related debt	6,453,037
Restricted for:	
Grants and other statutory restrictions	1,549,661
Permanent funds	
Nonexpendable	131,951
Expendable	34,630
Unrestricted	<u>931,309</u>
TOTAL NET ASSETS	<u>\$ 9,110,588</u>

See notes to financial statements.

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TOWN OF LITCHFIELD, NEW HAMPSHIRE
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2009

ASSETS		General	Conservation	Governmental	Governmental
			Fund	Funds	Funds
Cash and short-term investments	\$ 4,315,686	\$ 882,317	\$	\$ 908,914	\$ 6,107,817
Investments	-	-	-	80,792	80,792
Receivables:					
Property taxes	675,695	-	-	-	675,696
Delinquent and other	-	-	-	-	31,982
Intergovernmental	378,616	-	-	31,582	378,616
Other assets	24,000	-	-	-	24,000
Due from other funds	149,177	-	-	6,211	155,387
	\$ 5,339,949	\$ 882,317	\$	\$ 1,028,499	\$ 7,450,785
TOTAL ASSETS					
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 244,024	\$	\$	\$	\$ 244,024
Accrued liabilities	24,754	-	-	-	24,754
Deferred revenues	520,501	-	-	22,014	542,515
Other liabilities	13,268	-	-	-	13,268
Due to other funds	6,211	-	-	72,428	78,639
Due to school district	3,393,750	-	-	-	3,393,750
TOTAL LIABILITIES	4,808,628	-	-	94,442	4,702,970
Fund Balances:					
Reserved for:					
Encumbrances	70,624	-	-	-	70,624
Perpetual (non-expendable) permanent funds	-	-	-	131,951	131,951
Unreserved:					
Undesignated, reported in:					
General fund	860,797	-	-	-	860,797
Special revenue funds	-	882,317	-	245,941	1,128,258
Capital project funds	-	-	-	921,535	921,535
Permanent funds	-	-	-	34,650	34,650
TOTAL FUND BALANCES	931,421	882,317	-	934,057	2,147,795
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,339,949	\$ 882,317	\$	\$ 1,028,499	\$ 7,450,785

See notes to financial statements.

TOWN OF LITCHFIELD, NEW HAMPSHIRE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009

[illegible]

TOWN OF LITCHFIELD, NEW HAMPSHIRE

RECONCILIATION OF TOTAL GOVERNMENTAL FUND
BALANCES TO NET ASSETS OF GOVERNMENTAL
ACTIVITIES IN THE STATEMENT OF NET ASSETS

DECEMBER 31, 2009

Total governmental fund balances	\$ 2,747,795
• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	5,945,412
• Revenues are reported on the accrual basis of accounting and are not deferred until collection.	517,514
• Long-term liabilities, (net of prepaid debt service) including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(100,133)
Net assets of governmental activities	\$ 9,110,588

See notes to financial statements.

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TOWN OF LITCHFIELD, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2009

	General	Conservation Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	\$ 2,000,091	\$ -	\$ -	\$ 2,000,091
Penalties, interest and other taxes	90,431	48,540	-	138,971
Licenses and permits	1,380,538	-	-	1,380,538
Intergovernmental	440,040	-	395,983	836,023
Charges for services	36,832	-	80,174	117,006
Investment income	42,564	19,362	6,047	67,973
Contributions	-	-	13,999	13,999
Miscellaneous	57,293	-	5,420	62,713
Total Revenues	4,047,889	67,902	501,623	4,617,414
Expenditures:				
Current				
General government	1,083,281	-	-	1,083,281
Public safety	1,782,373	-	83,697	1,866,070
Highways and streets	799,850	-	344,030	1,143,880
Sanitation	313,611	-	-	313,611
Health and welfare	80,289	-	-	80,289
Culture and recreation	282,156	-	29,428	311,584
Conservation	2,798	-	-	2,798
Total Expenditures	4,344,358	-	457,155	4,801,513
Excess (deficiency) of revenues over expenditures	(296,469)	67,902	44,468	(184,099)
Fund Equity, at Beginning of Year	1,227,890	614,415	899,589	2,931,894
Fund Equity, at End of Year	931,421	682,317	934,057	2,747,795

See notes to financial statements

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TOWN OF LITCHFIELD, NEW HAMPSHIRE

RECONCILIATION OF THE STATEMENT OF REVENUES EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2009

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (184,099)

- Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay purchases 226,716
Depreciation (188,607)

- Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for accounts receivable (i.e., real estate) differ between the two statements. This amount represents the net change in deferred revenue.

91,411

- The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

82,941

Repayments of debt

- Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.

(58,862)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES

\$ (40,500)

See notes to financial statements.

TOWN OF LITCHFIELD, NEW HAMPSHIRE GENERAL FUND STATEMENT OF REVENUES AND OTHER SOURCES, AND EXPENDITURES AND OTHER USES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues and other sources:				
Property taxes	77,991	77,991	90,431	12,440
Interest, penalties and other taxes	1,293,909	1,293,909	1,380,538	86,629
Licenses and permits	777,568	777,568	617,337	(160,231)
Intergovernmental	38,358	38,358	36,932	(1,426)
Charges for services	46,633	46,633	42,664	(3,969)
Investment income	52,930	52,930	67,293	4,363
Miscellaneous	4,354,097	4,354,097	4,291,903	(62,194)
Total Revenues	2,066,808	2,066,808	2,066,808	-
Expenditures and other uses:				
Current:				
General government:				
Public safety	1,773,117	1,773,117	1,772,976	141
Highways and streets	761,769	761,769	739,980	21,789
Sanitation	361,288	361,288	313,611	47,677
Health and welfare	98,183	98,183	80,289	17,894
Conservation	279,097	279,097	246,195	33,902
Culture and recreation	4,185	4,185	2,798	1,387
Total Expenditures	4,354,097	4,354,097	4,270,779	83,318
Excess of revenues and other sources over expenditures and other uses	-	-	21,124	21,124

See notes to financial statements.

TOWN OF LITCHFIELD, NEW HAMPSHIRE
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS

DECEMBER 31, 2009

	Agency Funds
ASSETS	
Cash and short-term investments	\$ 1,638,990
Total Assets	<u>\$ 1,638,990</u>
LIABILITIES	
Due to other funds	\$ 78,743
Due to other governments	104,381
Due to developers	<u>1,457,866</u>
Total Liabilities	<u>\$ 1,638,990</u>

See notes to financial statements.

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TOWN OF LITCHFIELD, NEW HAMPSHIRE
Notes to Financial Statements

1. **Summary of Significant Accounting Policies**

The accounting policies of the Town of Litchfield (the Town) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

A. Reporting Entity

The government is a municipal corporation governed by an elected Board of Selectmen. As required by generally accepted accounting principles, these financial statements present the government and applicable component units for which the government is considered to be financially accountable. In fiscal year 2009, it was determined that no entities met the required GASB-39 criteria of component units.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The government reports the following major governmental funds:

- The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Conservation Commission Fund is used to account for 100% of the Land Use Charge Tax (current use) revenue and expenditures incurred in the acquisition of conservation land including the maintenance of designated conservation properties within the Town's boundaries.

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D. Cash and Short-Term Investments

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in the General Fund. Certain special revenue and fiduciary funds segregate cash, and investment earnings become a part of those funds.

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash and investment pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and short-term investments". The interest earnings attributable to each fund type are included under investment income.

For purpose of the statement of cash flows, the proprietary funds consider investments with original maturities of three months or less to be short-term investments.

E. Investments

State and local statutes place certain limitations on the nature of deposits and investments available. Deposits in any financial institution may not exceed certain levels within the financial institution. Non-fiduciary fund investments can be made in securities issued by or unconditionally guaranteed by the U.S. Government or agencies that have a maturity of one year or less from the date of purchase and repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase.

F. Interfund Receivables and Payables

Transactions between funds that are representative of lending/ borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due from/to other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$ 10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or contributed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40
Building improvements	15 - 20
Infrastructure	40
Vehicles and equipment	5 - 20

H. Compensated Absences

It is the government's policy to permit employees to accumulate 10 days of earned but unused vacation pay benefits. All vested vacation pay is accrued when incurred in the government-wide financial statements. A liability for this amount is reported in government funds only if it has matured, for example, as a result of employee resignations and retirements.

I. Long-Term Obligations

In the government-wide financial statements, and long-term debt, and other long-term obligations are reported as liabilities in the governmental activities statement of net assets.

J. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

K. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

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2. Stewardship, Compliance, and Accountability

A. Budgetary Information

The Town's budget is originally prepared by the Selectmen's office with the cooperation of the various department heads. It is then submitted to the Budget Committee, in accordance with the Municipal Budget Law. After reviewing the budget, the Committee holds a public hearing for discussion.

The final version of the budget is then submitted for approval at the annual Town meeting. The approved budget is subsequently reported to the State of New Hampshire on the statement of appropriation form in order to establish the current property tax rate.

The Selectmen cannot increase the total of the approved budget; however, they have the power to reclassify its components when necessary.

B. Budgetary Basis

The general fund final appropriation appearing on the "Budget and Actual" page of the fund financial statements represents the final amended budget after all reserve fund transfers and supplemental appropriations.

C. Budget/GAAP Reconciliation

The budgetary data for the general fund is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the general fund are presented in accordance with budgetary accounting principles to provide a meaningful comparison with budgetary data.

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting.

General Fund	Revenues and Other	Expenditures and Other
Revenues/Expenditures (GAAP basis)	Financing Sources	Financing Uses
	\$ 4,047,869	\$ 4,344,358
Subtotal (GAAP Basis)	4,047,869	4,344,358
Adjust tax revenue to accrual basis	66,717	-
To reverse expenditures of prior year appropriation carryforwards	-	(144,203)
To book current year appropriation carryforwards	-	70,624
Highway block grant	177,297	-
Budgetary basis	\$ 4,291,903	\$ 4,270,779

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3. Cash and Short-Term Investments

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. RSA 48:16 limits "deposit in any one bank shall not at any time exceed the sum of its paid-up capital and surplus, exception that a Town with a population in excess of 50,000 is authorized to deposit funds in a solvent bank in excess of the paid-up capital surplus of said bank." The Town does not have a deposit policy for custodial credit risk.

As of December 31, 2009, \$77,863 of the Town's bank balance of \$ 8,547,805 was exposed to custodial credit risk as uninsured, uncollateralized, and collateral held by pledging bank's trust department not in the Town's name.

4. Investments

A. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law employs the prudent person rule whereby investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general avoid speculative investments.

The Town is not exposed to any investment credit risk. The Town's investments, totaling \$ 80,792, are invested in corporate equities which are exempt from disclosure.

B. Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. At this time, the custodial credit risk cannot be determined.

5. Taxes Receivable

The Town bills property taxes semi-annually, in May and November. Property tax revenues are recognized in the fiscal year for which taxes have been levied. Property taxes are due on July 1 and December 1. Delinquent accounts are charged 12% interest. In March of the next year, a lien is recorded on delinquent property at the Registry of Deeds. The Town purchases all the delinquent accounts by paying the delinquent balance, recording costs and accrued interest. The accounts that are lienied by the Town will be reclassified from property taxes receivable to unredeemed tax liens receivable. After this date,

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delinquent accounts will be charged interest at a rate of 18%. The Town annually budgets amounts (overlay for abatements) for property tax abatements and refunds.

Taxes receivable at December 31, 2009 consist of the following:

Real Estate	2009	\$ 502,807	502,807
Unredeemed Taxes			
2008	120,895		
2007	48,235		
Yield Tax			
	169,130		
Total	3,959		
	\$ 675,896		

Taxes Collected for Others

The Town collects property taxes for the State of New Hampshire, the Litchfield School District and the County of Hillsborough. Payments to the other taxing units are normally made throughout the year. The ultimate responsibility for the collection of taxes rests with the Town.

6. Allowance for Doubtful Accounts

The receivables reported in the accompanying entity-wide financial statements reflect the following estimated allowances for doubtful accounts (in thousands):

Property taxes	
Governmental	\$ 25,000

7. Intergovernmental Receivables

This balance represents reimbursements requested from Federal and State agencies for expenditures incurred in fiscal 2009.

8. Interfund Fund Receivables/Payables

Although self-balancing funds are maintained, most transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The following is an analysis of the December 31, 2009 balances in interfund receivable and payable accounts:

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Fund	Due From Other Funds	Due To Other Funds
General fund	\$ 149,171	\$ 6,211
Special revenue funds	6,211	72,428
Agency funds	-	76,743
Total	\$ 155,382	\$ 155,382

9. Due to School District

This represents the balance of the district assessment due to the Litchfield School District for the 2009/ 2010 school year.

10. Capital Assets

Capital asset activity for the year ended December 31, 2009 was as follows (in thousands):

Governmental Activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Buildings and improvements	\$ 1,876	\$ 21	-	\$ 1,897
Machinery, equipment, and furnishings	1,610	206	-	1,816
Infrastructure	502	-	-	502
Total capital assets, being depreciated	3,988	227	-	4,215
Less accumulated depreciation for:				
Buildings and improvements	(726)	(50)	-	(776)
Machinery, equipment, and furnishings	(803)	(136)	-	(939)
Infrastructure	(42)	(13)	-	(55)
Total accumulated depreciation	(1,571)	(199)	-	(1,770)
Total capital assets, being depreciated, net	2,417	28	-	2,445
Capital assets, not being depreciated:				
Land	3,500	-	-	3,500
Total capital assets, not being depreciated	3,500	-	-	3,500
Governmental activities capital assets, net	\$ 5,917	\$ 28	\$ -	\$ 5,945

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Depreciation expense was charged to functions of the Town as follows (in thousands):

Governmental Activities:	
General government	\$ 33
Public safety	118
Highway	25
Culture and recreation	8
Sanitation	15
Total depreciation expense - governmental activities	\$ 199

11. Accounts Payable

Accounts payable represent additional 2009 expenditures paid after December 31, 2009.

12. Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

The balance of the General Fund deferred revenues account is equal to the total of all December 31, 2009 receivable balances, except property taxes that are accrued for subsequent 60 day collections.

13. Capital Lease Obligations

The Town is the lessee of certain equipment under capital leases expiring in various years through 2011. Future minimum lease payments under the capital and operating leases consisted of the following as of December 31, 2009:

Fiscal Year	Capital Leases
2010	\$ 29,642
2011	14,994
Total minimum lease payments	44,636
Less amounts representing interest	(3,365)
Present Value of Minimum Lease Payments	\$ 41,271

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14.

Long-Term Liabilities

Changes in General Long-Term Liabilities

During the year ended December 31, 2009, the following changes occurred in long-term liabilities:

	Total Balance 1/1/09	Additions	Reductions	Total Balance 12/31/09	Less Current Portion 12/31/09	Equals Long-Term Portion 12/31/09
<u>Governmental Activities</u>						
Other:						
Capital leases	\$ 124,212	\$ -	\$ (82,941)	\$ 41,271	\$ (27,156)	\$ 14,115
Compensated absences	50,555	8,306	-	58,862	(2,943)	55,919
Totals	<u>\$ 174,768</u>	<u>\$ 8,306</u>	<u>\$ (82,941)</u>	<u>\$ 100,133</u>	<u>\$ (30,099)</u>	<u>\$ 70,034</u>

15.

Restricted Net Assets

The accompanying entity-wide financial statements report restricted net assets when external constraints from grantors or contributors are placed on net assets.

Permanent fund restricted net assets are segregated between nonexpendable and expendable. The nonexpendable portion represents the original restricted principal contribution, and the expendable represents accumulated earnings which are available to be spent based on donor restrictions.

16.

Reserves of Fund Equity

"Reserves" of fund equity are established to segregate fund balances which are either not available for expenditure in the future or are legally set aside for a specific future use.

The following types of reserves are reported at December 31, 2009:

Reserved for Encumbrances - An account used to segregate that portion of fund balance committed for expenditure of financial resources upon vendor performance.

Reserved for Perpetual Funds - Represents the principal of the non-expendable trust fund investments. The balance cannot be spent for any purpose; however, it may be invested and the earnings may be spent.

17.

General Fund Undesignated Fund Balance

The undesignated general fund balance reported on the balance sheet is stated in accordance with generally accepted accounting principles (GAAP), which differs in respect to how undesignated fund balance is reported in accordance with the budgetary basis for reporting for the State of New Hampshire for tax rate setting purposes. The major difference is the State of New Hampshire considers revenues in connection with property tax receivables to be available to liquidate liabilities when billed rather than received.

The following summarizes the specific differences between GAAP basis and budgetary basis of reporting the general fund undesignated fund balance:

GAAP basis balance	\$ 860,786
Deferred revenue	<u>520,501</u>
Tax Rate Setting Balance	<u>\$ 1,381,287</u>

18.

Litigation

The Town of Litchfield has brought a claim in the Hillsborough County Superior Court South against its former Treasurer and Trustee of Trust Funds, Horace W. Seymour, for the misappropriation of funds from Town banking accounts under the control of Mr. Seymour. Mr. Seymour was the elected Town Treasurer from 2005 until 2008. He was also a member of the Litchfield Trustees of Trust Funds from 2002 until 2005 and was Chairman of the Town's Recreation Commission from 2003 through 2008. Based upon a detailed audit conducted by the Town's Auditors, it has been estimated that Mr. Seymour misappropriated \$ 212,030 from accounts under his control for his use and benefit. The matter is presently scheduled for trial in May of this year but will likely be continued. Active negotiations are under way to have Mr. Seymour confess to judgment in an amount agreeable to the Town and the Town's insurance carrier, Primex and AUI Holdings. The Town has received \$ 156,712 from its insurance carriers to date and is seeking to recover the balance or an additional \$ 55,318. As of June 19, 2009 Seymour was found guilty of misappropriation of \$ 135,000 from the Town of Litchfield.

19.

Post-Employment Health Care and Life Insurance Benefits

In addition to the pension benefits described in the following note, the Town provides post-employment health care and life insurance benefits, in accordance with state statute, to participating retirees. These benefits are included in the total cost of benefits for both active and retired employees. The number of participants currently eligible to receive benefits, and cost of benefits for retirees, their dependents, or their survivors for the year ended December 31, 2009 was not available.

GASB Statement No. 45, *Financial Reporting by Employers for Post-Employment Benefits* (OPEB) Other Than Pensions is effective December 31, 2009. The Town estimates its unfunded OPEB liability as of December 31, 2009 to be immaterial to the financial statements.

20.

Retirement System

The Town follows the provisions of GASB Statement No. 27, *Accounting for Pensions for State and Local Government Employees*, (as amended by GASB 50) with respect to the employees' retirement funds.

A. Plan Description

Full-time employees participate in the State of New Hampshire Retirement System (the System), a multiple-employer contributory pension plan and trust established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The plan is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers within the State of New Hampshire are eligible and required to participate in the system. Full-time employees of political subdivisions, including counties, municipalities and school districts, are also eligible to participate as a group if the governing body of the political subdivision has elected participation.

The New Hampshire Retirement System, a Public Employees Retirement System (PERS), is divided into two membership groups. State or local employees and teachers belong to *Group I*. Police officers and firefighters belong to *Group II*. All assets are held in a single trust and are available to each group, funding policies, vesting requirements, contribution requirements and plan assets available to pay benefits are disclosed in the System's annual report available from the New Hampshire Retirement System located at 4 Chenell Drive, Concord, New Hampshire 03301-8509.

B. Funding Policy

Plan members are required to contribute a percentage of their gross earnings to the pension plan, which the contribution rates are 5% for employees and teachers and 9.3% for police and fire. The Town makes annual contributions to the pension plan equal to the amount required by Revised Statutes Annotated 100-A:16, and is 11.84%, 15.92%, and 8.74% for police officers, fire employees, and general employees, respectively. The Town's contributions to the System for the years ended December 31, 2009, 2008, and 2007 were \$ 124,126, \$ 119,774 and \$ 109,435, respectively, which were equal to its annual required contributions for each of these years.

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Risk Management

21.

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no significant reductions in insurance coverage from the previous year and have been no material settlements in excess of coverage in any of the past three fiscal years.

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To the Board of Selectmen
 Town of Litchfield, New Hampshire

In planning and performing our audit of the financial statements of the Town of Litchfield, New Hampshire as of and for the year ended December 31, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the Town of Litchfield's internal accounting control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. In addition, because of inherent limitations in internal control, including the possibility of management's override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. Material weaknesses are noted in the table of contents and comment headings.

During our audit we also became aware of several other matters that we believe represent opportunities for strengthening internal controls and operating efficiency.

The recommendations that accompany this letter summarize our comments and suggestions concerning those matters.

The Town's written response to our comments and suggestions has not been submitted to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of management, Board of Selectmen, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

After you have had an opportunity to consider our comments and recommendations, we would be pleased to discuss them with you.

Melanson, Heath & Company, P.C.

Nashua, New Hampshire
 September 7, 2010

PRIOR YEAR RECOMMENDATIONS:

1. Improve Monthly Reconciliations (Material Weakness)

In 2008, The Town did not have a formal system in place to reconcile key general ledger accounts. Monthly reconciliations are necessary to prove the accuracy of general ledger records as well as to provide a method of checks and balances between the financial departments. The lack of this procedure results in an increased risk that the Town's accounting records could contain errors or omissions. This was evidenced by the significant adjustments that were required by the Town's outside consultants to accurately report the Town's cash and receivable account balances.

We recommend the Town establish formal procedures to reconcile the following critical general ledger balances on a monthly basis:

- Cash - overall balances should be reconciled to the Treasurer.
- Receivables - each balance should be reconciled to the Tax Collector.
- Impact fees/escrow balances - should be reconciled to responsible Town departments.

Implementation of this recommendation will provide assurance that the Town's internal financial reports are accurate. It will also provide the necessary checks and balances over the Treasurer and Tax Collector Offices to ensure that errors or irregularities are identified and corrected in a timely manner.

Town's Response:

The Town has established a policy for the reconciliation between the Treasurer, Tax Collector/Town Clerk and Selectmen's Office during 2009. This policy requires the monthly reconciliations between all three groups with the participation and signoff of the Board of Selectmen. This policy reconciles the cash receivables by the Tax Collector/Town Clerk, the Treasurer's balances to the bank statements and the balances of the various escrow accounts held by the Treasurer.

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2. Develop Departmental Receipt Policies and Procedures

The Town currently does not have formal written policies and procedures for departments to follow for collecting and remitting departmental receipts. Although we did not detect any errors or irregularities during our audit, the lack of formal policies and procedures increases the risk that such situations could occur and go undetected.

We recommend the Town establish formal written departmental receipt policies and procedures, which should address, at a minimum, the following:

- Standardized receipt logs
- Standardized receipt turnover forms
- Requiring two signatures on the receipt turnover form
- Requiring departments remit receipts to the Collector
- Prohibiting the collection of currency, wherever feasible
- Establishing frequencies of turnovers and physical security over receipts

We further recommend that the Town perform periodic internal audits of the various departments to assure compliance with the policies and procedures that are adopted. This should result in improved controls over departmental receipts and reduce the likelihood of irregularities occurring.

We also recommend that a copy of the departmental receipt turnover form be provided by departments directly to the Town Administrator in order to reconcile with the receipt postings. This will provide a necessary measure of checks and balances between departments.

Town's Response:

The Town of Litchfield will develop a policy for the collection and remitting of receipts. It is the intention of the Board of Selectmen that the policy will include the observations and suggestions outlined in the 2008 audit management letter. Timing of this policy will be prior to the end of the year 2010.

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3. Other Internal Control Areas

A key component of any financial statement audit is the evaluation of internal controls. This evaluation is accomplished through inquiry, observation and testing. The following weaknesses were noted as a result of our evaluation of controls during our 2009 audit. We understand some of these issues may have been addressed by the Town in late 2009 or 2010. We will be available to discuss these with the Town in more detail.

Town-Wide Issues:

- Establish a formal fraud policy for Town employees.

Town's Response:

A fraud policy was established and became effective July 1, 2010.

General Ledger Issues:

- Maintain all funds (other than trustee of trust funds) in the general ledger.
- Maintain organized records for all adjusting journal entries, including explanations and support.
- Provide expenditure reports to departments at least monthly.
- Provide revenue reports to all departments that collect revenues.

Town's Response:

All funds are being entered in the general ledger. The Town has begun to maintain all adjusting journal entries with documentation and support attached in a monthly filing system suitable for audit.

All department heads, Trustees, Budget Committee members, and Selectmen receive weekly expense against budget reports and monthly they receive a report of revenues against forecasted revenues. Further, this information is made available to the public through web posting.

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Payroll Issues:

- Establish employee personnel files, including documented pay rate approval forms
- Prohibit the distribution of paychecks until the payroll is formally approved by the Board of Selectmen.

Town's Response:

All personnel files are maintained in the Town Administrator's office. In 2010, pay rate changes and notices are being added to those files as they occur. By the end of the year, new forms will be distributed to all departments for use to document pay rate changes and reasons and will be subsequently added to the personnel files. Payroll and check printing functions are now performed in the Selectmen's office, allowing Selectmen to sign payroll on the Monday prior to check distribution on Thursdays.

Treasury Issues:

- Document a summary of all Town bank reconciliations on a single form to be used to prove to general ledger balances.
- Consolidate impact/escrow passbook accounts into a master bank account.
- Consider increasing collateralization of bank accounts.
- Void old outstanding checks at least annually.

Town's Response:

- A single summary sheet for all town reconciliations will be introduced at the beginning of 2011.
- All escrow and passbook accounts will be consolidated into a master bank account by December 2010.
- The Town reorganized its overall banking program in the summer of 2010 to include greater collateralization of deposits.
- The Town will begin voiding checks every six months, beginning around December 1, 2010 and continuing every six months thereafter.

Collector Issues:

- Maintain a control log to track receivable activity.

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Town's Response:

Control logs have always been maintained in both the Town Clerk and Tax Collector. Up until this year 2010 we have kept a running log in a general ledger which I have in my office.

- Reconcile control log to detail receivable lists, and to Town general ledger receivable records.

Town's Response:

T. Briand started doing this in January 2010 with L. Langille.

- Sign off on receipt turnover forms by two individuals.

Town's Response:

Each day when the daily close out is balanced and completed it is now signed off on by either the Town Clerk/Tax Collector or the deputy. Then there is a line for the Treasurer to sign off on as well.

- Consider using a lockbox service for receipt processing.

Town's Response:

A lockbox program was considered in 2010. The cost of moving to such a service is a significant deterrent. Additionally, the Tax Collector expressed concern that this would be an unacceptable change to the level of customer service, with taxpayers expecting personal contact and the ability to pay their tax bills at Town Hall which would not be possible with the lockbox system.

Trust Fund Issues:

- Bring library trust stock investments in house or contract with a broker.
- Track expendable and nonexpendable portions of trust funds for MS-9 Trustee report.

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CURRENT YEAR RECOMMENDATIONS:

4. Budget for Highway Block Grant

The Town reported an estimated revenue for the Highway Block Grant on the tax rate setting form, but did not report an offsetting appropriation. Because this grant is reported in a separate fund, it should reflect a balanced budget. The lack of the appropriation on the tax rate setting form resulted in an unintended reduction in the Town's property tax rate.

We recommend that the budgets for all self-supporting funds, such as the Highway Block Grant, be balanced on the tax rate setting forms. This will neutralize the effect on the Town's property tax rate.

Town's Response:

The Highway Block Grant was balanced on the tax rate setting form for 2010. It is the intention of the Town to utilize the 2010 funds for future work and treat the funds as restricted for that purpose. In 2011, the Town will seek to gross appropriate the funds and present an offsetting expenditure within the Highway Department budget.

5. Other Current Year Issues

During our audit, we also noted the following issues, which are summarized very briefly. We will be available to discuss these issues in more detail with the Town if requested.

Print Receipt Log - The receipt log that is maintained by the Solid Waste facility is maintained on an old computer which is not compatible with any Town printers. As a result, the receipt logs cannot be printed or retained as a permanent document. We recommend the receipt log be maintained on a computer that is capable of printing.

Town's Response:

The Solid Waste facility will have a computer replaced in 2011. A receipt log retention system will be developed involving either printed copies or secure digital submission and archiving.

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Monitor/Record Receivables - The Town received certain state funds for 2009 in the first week of January 2010 that were not recorded as a receivable and revenue in the Town's 2009 general ledger. Although this was recorded through the audit process, this resulted in the Town's internal accounts records being understated. We recommend the Town monitor all late receipts to determine whether receivables should be appropriately recorded in the general ledger.

Town's Response:

Beginning in July 2010 accounts receivable was turned over to the Finance Office. All receivables are posted into general ledger and tracked by that office.

Monitor Due From/To Accounts - The Town's general ledger reflects various accounts to track interfund activity. Although the interfund accounts reconciled in total, certain of the accounts reflected balances owed from fund to fund that should have been reimbursed to each other at year end. We recommend the Town periodically monitor the due from/to accounts and actually transfer cash balances between funds to clear amounts due.

Town's Response:

Beginning in 2010 all due from/to accounts are reconciled monthly and cash is transferred at a minimum monthly.

Reconcile Police Detail Receivables - The Police detail receivable account balance in the Town's general ledger differed from the Police Department's records by approximately \$ 500 at year end. We recommend the Police Department reconcile the detail receivable account with the Town's general ledger on at least a quarterly basis.

Town's Response:

As stated under Monitor/Record Receivables, all receivables are now handled through the Finance Office and reconciled monthly.

Report Interest On Abatements Separately - The tax abatement forms currently combine principal and interest. We recommend that principal and interest be reported separately on the abatement form. This will provide an improved audit trail over abatement postings to the general ledger.

Town's Response:

This has been set up beginning in 2010. Once the Tax Collector returns the abatement to the Finance Office stating that the taxes have been paid, she notes the date of payment, interest is calculated and listed separately on the abatement.



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INDEPENDENT AUDITORS' REPORT

To the Board of Selectmen
Town of Litchfield, New Hampshire

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Litchfield, New Hampshire, as of and for the year ended December 31, 2008, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Litchfield's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Litchfield, as of December 31, 2008, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis appearing on the following pages, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries

Additional copies
Andover, MA • Charlestown, MA • Ellsworth, ME • Manchester, NH

of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Melanson, Heath & Company P.C.

Nashua, New Hampshire
June 10, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Litchfield, we offer readers this narrative overview and analysis of the financial activities of the Town of Litchfield for the fiscal year ended December 31, 2008.

A. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The statement of net assets presents information on all assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities

governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

An annual appropriated budget is adopted for the general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by accounting principles generally accepted in the United States of America.

B. FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$ 9,151,088 (i.e., net assets), a change of \$ 255,022 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$ 2,531,894, a change of \$ (96,533) in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$ 1,083,687, a change of \$ 61,059 in comparison with the prior year.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of condensed government-wide financial data for the current and prior fiscal years.

Governmental Activities

	2008	2007
Current and other assets	\$ 7,736	\$ 6,727
Capital assets	5,917	5,661
Total assets	13,653	12,388
Long-term liabilities outstanding	89	109
Other liabilities	4,413	3,383
Total liabilities	4,502	3,492
Net assets:		
Invested in capital assets, net	6,263	5,480
Restricted	1,566	1,367
Unrestricted	1,322	2,049
Total net assets	\$ 9,151	\$ 8,896

CHANGES IN NET ASSETS

Governmental Activities

	2008	2007
Revenues:		
Program revenues	\$ 106	\$ 142
Charges for services	1	-
Operating grants		
General revenues:		
Property taxes	2,490	2,238
Penalties and interest on taxes	256	-
Licenses and permits	1,501	1,463
Grants and contributions not restricted to specific programs	-	671
Investment income	71	235
Intergovernmental	799	-
Other	52	2
Total revenues	5,276	4,751
Expenses:		
General government	1,230	1,010
Public safety	1,840	1,839
Highways and streets	1,158	581
Sanitation	424	387
Health and welfare	58	40
Culture and recreation	308	252
Conservation	3	-
Total expenses	5,021	4,109
Change in net assets	255	642
Net assets - beginning of year (as restated)	8,896	8,254
Net assets - end of year	\$ 9,151	\$ 8,896

5

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net assets were \$ 9,151,088, a change of \$ 255,022 from the prior year.

The largest portion of net assets \$ 6,262,673 reflects our investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net assets \$ 1,566,644 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$ 1,321,771 may be used to meet the government's ongoing obligations to citizens and creditors.

Governmental activities. Governmental activities for the year resulted in a change in net assets of \$ 255,022. Key elements of this change are as follows:

General fund operating results	\$ 133,654
Conservation fund surplus - accrual basis	191,102
Nonmajor funds deficit	(1,289)
Other GAAP accruals	(68,445)
Total	\$ 255,022

D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$ 2,931,894, a change of \$ (96,533) in comparison with the prior year. Key elements of this change are as follows:

General fund operating results	\$ 133,654
Conservation fund deficit	(228,898)
Nonmajor funds deficit	(1,289)
Total	\$ (96,533)

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The general fund is the chief operating fund. At the end of the current fiscal year, unreserved fund balance of the general fund was \$ 1,083,687, while total fund balance was \$ 1,227,880. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 22 percent of total general fund expenditures, while total fund balance represents 25 percent of that same amount.

The fund balance of the general fund changed by \$ 133,654 during the current fiscal year. Key factors in this change are as follows:

State and local revenues deficit over budget	\$ 580,424
Budgetary appropriation turnbacks	(12,470)
Excess tax collections over budget	66,179
Excess of prior year encumbrances spent in the current year over current year encumbered appropriations to be spent in the subsequent year	(480,479)
Total	<u>\$ 133,654</u>

E. GENERAL FUND BUDGETARY HIGHLIGHTS

There were no differences between the original budget and the final amended budget

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental and business-type activities at year end amounted to \$ 5,917,303 (net of accumulated depreciation), a change of \$ 256,381 from the prior year. This investment in capital assets includes land, buildings and system, improvements, and machinery and equipment.

Major capital asset events during the current fiscal year included the following:

- Conservation commission land purchase \$ 420,000

Additional information on capital assets can be found in the footnotes to the financial statements.

TOWN OF LITCHFIELD, NEW HAMPSHIRE

STATEMENT OF NET ASSETS

DECEMBER 31, 2008

	Governmental Activities
ASSETS	
Current:	
Cash and short-term investments	\$ 6,848,922
Investments	82,120
Receivables, net of allowance for uncollectibles:	
Taxes	582,987
Departmental and other	45,229
Intergovernmental	2,977
Due from fiduciary funds	53,342
Noncurrent:	
Receivables, net of allowance for uncollectibles:	
Taxes	119,982
Capital Assets	
Land and construction in progress	3,500,534
Other capital assets, net of accumulated depreciation	<u>2,416,769</u>
TOTAL ASSETS	13,532,862
LIABILITIES	
Current:	
Accounts payable	219,730
Accrued liabilities	35,643
Due to school districts	4,071,633
Current portion of long-term liabilities:	
Capital lease payable	82,941
Compensated absence	2,528
Noncurrent:	
Capital lease payable, net of current portion	41,271
Compensated absence, net of current portion	<u>48,028</u>
TOTAL LIABILITIES	4,501,774
NET ASSETS	
Invested in capital assets, net of related debt restricted for:	6,262,673
Grants and other statutory restrictions	1,392,254
Permanent funds:	
Nonexpendable	133,279
Expendable	41,071
Unrestricted	<u>1,321,771</u>
TOTAL NET ASSETS	\$ 9,151,088

See notes to financial statements.

TOWN OF LITCHFIELD, NEW HAMPSHIRE
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2008

Net (Expenses) Revenues and Changes in Net Assets	Governmental Activities
\$ (1,212,445)	
(1,156,930)	
(371,250)	
(58,064)	
(304,288)	
(2,449)	
(4,913,547)	
2,489,941	
256,132	
1,500,935	
71,449	
798,610	
51,602	
5,168,569	
255,022	
8,896,086	
\$ 9,151,088	

Program Revenues	Operating Revenues and Contributions	Capital Contributions	Governmental Activities
\$ 17,655	\$ -	\$ -	\$ (1,212,445)
32,010	1,445	-	(1,156,930)
793	-	-	(371,250)
53,196	-	-	(58,064)
2,492	-	-	(304,288)
80	-	-	(2,449)
\$ 109,226	\$ 1,445	\$ -	(4,913,547)
General Revenues and Contributions:			
Taxes			
Permit fees, interest and other taxes			2,489,941
Licenses and permits			256,132
Investment income			1,500,935
Intergovernmental			71,449
Miscellaneous			798,610
Total general revenues			5,168,569
Change in Net Assets			255,022
Beginning of year, as restated			8,896,086
End of year			\$ 9,151,088

TOWN OF LITCHFIELD, NEW HAMPSHIRE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

Expenses	Governmental Activities	Total Governmental Activities
\$ 1,230,200		\$ 5,021,219
1,840,031		2,529
1,167,723		308,226
424,446		58,064
793		53,196
32,010		2,492
793		80
\$ 17,655		\$ 109,226
Change for Grants and Services		
Contributions		
Operating		
Capital		
Governmental Activities		
Net (Expenses) Revenues and Changes in Net Assets		

See notes to financial statements.

ASSETS	General	Conservation Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and short-term investments	\$ 5,309,759	\$ 735,415	\$ 802,747	\$ 6,848,921
Receivables	-	-	82,120	82,120
Property taxes	727,969	-	-	727,969
Departmental and other	33,572	-	11,658	45,230
Intergovernmental	2,977	-	-	2,977
Due from other funds	66,489	78,000	6,211	150,700
TOTAL ASSETS	\$ 6,140,766	\$ 814,415	\$ 902,735	\$ 7,857,917
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 219,730	\$ -	\$ -	\$ 219,730
Accrued liabilities	86,169	-	-	86,169
Deferred revenues	451,103	-	-	451,103
Due to other funds	84,211	-	13,147	97,358
Due to school districts	4,071,633	-	-	4,071,633
TOTAL LIABILITIES	4,912,876	-	13,147	4,926,023
Fund Balances:				
Reserved for:				
Encumbrances	144,203	-	-	144,203
Perpetual (non-expendable) permanent funds	-	-	133,279	133,279
Unreserved:				
Undesignated, reported in:				
General fund	1,083,687	-	-	1,083,687
Special revenue funds	-	814,415	245,657	1,060,072
Capital project funds	-	-	469,582	469,582
Permanent funds	-	-	41,071	41,071
TOTAL FUND BALANCES	1,227,890	\$ 814,415	\$ 889,589	\$ 2,931,894
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,140,766	\$ 814,415	\$ 902,735	\$ 7,857,917

See notes to financial statements.

TOWN OF LITCHFIELD, NEW HAMPSHIRE

RECONCILIATION OF TOTAL GOVERNMENTAL FUND
BALANCES TO NET ASSETS OF GOVERNMENTAL
ACTIVITIES IN THE STATEMENT OF NET ASSETS

DECEMBER 31, 2008

Total governmental fund balances

\$ 2,931,894

- Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.
- Revenues are reported on the accrual basis of accounting and are not deferred until collection.
- Long-term liabilities: (net of prepaid debt service) including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Net assets of governmental activities

(124,212)
\$ 9,151,088

See notes to financial statements.

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TOWN OF LITCHFIELD, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2008

	General	Conservation	Nonmajor	Total
	Fund	Fund	Governmental	Governmental
			Funds	Funds
Revenues:				
Property taxes	\$ 2,454,891	\$ -	\$ -	\$ 2,454,891
Penalties, interest and other taxes	96,501	159,631	-	256,132
Licenses and permits	1,500,935	-	-	1,500,935
Intergovernmental	798,610	-	-	798,610
Charges for services	78,901	-	27,325	106,226
Investment income	67,796	30,971	(27,318)	71,449
Contributions	-	-	1,446	1,446
Miscellaneous	3,421	-	48,180	51,601
Total Revenues	5,001,055	190,602	49,633	5,241,290
Expenditures:				
Current:				
General government	1,002,519	-	-	1,002,519
Public safety	1,792,220	-	34,322	1,826,542
Highways and streets	1,133,341	-	-	1,133,341
Sanitation	401,161	-	-	401,161
Health and welfare	58,064	-	-	58,064
Culture and recreation	277,067	-	16,600	293,667
Conservation	3,029	419,500	-	422,529
Total Expenditures	4,867,401	419,500	50,922	5,337,823
Excess (deficiency) of revenues over expenditures	133,654	(228,898)	(1,289)	(96,533)
Fund Equity, at Beginning of Year, as restated	1,094,236	1,043,313	890,878	3,028,427
Fund Equity, at End of Year	\$ 1,227,890	\$ 814,415	\$ 888,689	\$ 2,931,894

See notes to financial statements.

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TOWN OF LITCHFIELD, NEW HAMPSHIRE

RECONCILIATION OF THE STATEMENT OF REVENUES
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2008

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (96,533)

- Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay purchases	448,920
Depreciation	(192,539)

- Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for accounts receivable (i.e., real estate) differ between the two statements. This amount represents the net change in deferred revenue.

34,951

- In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.

3,911

- The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

Repayments of debt	80,262
Capital lease additions	(23,950)
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ 255,022

See notes to financial statements.

TOWN OF LITCHFIELD, NEW HAMPSHIRE
GENERAL FUND
STATEMENT OF REVENUES AND OTHER SOURCES
AND EXPENDITURES AND OTHER USES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2008

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues and other sources:				
Property taxes	2,388,713	2,388,713	2,388,713	\$ -
Interest, penalties and other taxes	60,407	60,407	60,501	36,094
License and permits	1,168,120	1,168,120	1,500,935	332,815
Intergovernmental	605,131	605,131	798,610	193,479
Charges for services	60,000	60,000	78,901	28,901
Investment income	95,000	95,000	67,796	(27,204)
Miscellaneous	7,081	7,081	3,421	(3,660)
Total Revenues	4,374,452	4,374,452	4,834,877	560,425
Expenditures and other uses:				
Current				
General government	1,054,845	1,054,845	1,120,712	(65,867)
Public safety	1,773,752	1,773,752	1,793,348	(19,596)
Highways and streets	781,208	781,208	700,541	80,667
Sanitation	386,032	386,032	401,161	(15,129)
Health and welfare	62,797	62,797	58,064	4,733
Conservation	3,907	3,907	3,029	878
Culture and recreation	311,911	311,911	310,067	1,844
Total Expenditures	4,374,452	4,374,452	4,886,922	(12,470)
Excess of revenues and other sources over expenditures and other uses	-	-	547,955	\$ 547,955

See notes to financial statements.

TOWN OF LITCHFIELD, NEW HAMPSHIRE
FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET ASSETS

DECEMBER 31, 2008

	Agency Funds
ASSETS	
Cash and short-term investments	\$ 1,766,370
Due from/due to other funds	<u>(53,342)</u>
Total Assets	<u>\$ 1,713,028</u>
LIABILITIES	
Due to other governments	\$ 104,281
Due to other funds	<u>1,608,747</u>
Due to developers	
Total Liabilities	<u>\$ 1,713,028</u>

See notes to financial statements.

TOWN OF LITCHFIELD, NEW HAMPSHIRE
Notes to Financial Statements

1. **Summary of Significant Accounting Policies**

The accounting policies of the Town of Litchfield (the Town) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

A. Reporting Entity

The government is a municipal corporation governed by an elected Board of Selectmen. As required by generally accepted accounting principles, these financial statements present the government and applicable component units for which the government is considered to be financially accountable. In fiscal year 2008, it was determined that no entities met the required GASB-39 criteria of component units.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The government reports the following major governmental funds:

- The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Conservation Commission Fund* is used to account for 100% of the Land Use Charge Tax (current use) revenue and expenditures incurred in the acquisition of conservation land including the maintenance of designated conservation properties within the Town's boundaries.

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D. Cash and Short-Term Investments

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in the General Fund. Certain special revenue and fiduciary funds segregate cash, and investment earnings become a part of those funds.

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash and investment pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and short-term investments". The interest earnings attributable to each fund type are included under investment income.

For purpose of the statement of cash flows, the proprietary funds consider investments with original maturities of three months or less to be short-term investments.

E. Investments

State and local statutes place certain limitations on the nature of deposits and investments available. Deposits in any financial institution may not exceed certain levels within the financial institution. Non-fiduciary fund investments can be made in securities issued by or unconditionally guaranteed by the U.S. Government or agencies that have a maturity of one year or less from the date of purchase and repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase.

F. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due from/to other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$ 10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives.

Assets	Years
Buildings	40
Building improvements	15 - 20
Infrastructure	40
Vehicles and equipment	5 - 20

H. Compensated Absences

It is the government's policy to permit employees to accumulate 10 days of earned but unused vacation pay benefits. All vested vacation pay is accrued when incurred in the government-wide financial statements. A liability for this amount is reported in governmental funds only if it has matured, for example, as a result of employee resignations and retirements.

I. Long-Term Obligations

In the government-wide financial statements, and long-term debt, and other long-term obligations are reported as liabilities in the governmental activities statement of net assets.

J. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

K. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

2. Stewardship, Compliance, and Accountability

A. Budgetary Information

The Town's budget is originally prepared by the Selectmen's office with the cooperation of the various department heads. It is then submitted to the Budget Committee, in accordance with the Municipal Budget Law. After reviewing the budget, the Committee holds a public hearing for discussion.

The final version of the budget is then submitted for approval at the annual Town meeting. The approved budget is subsequently reported to the State of New Hampshire on the statement of appropriation form in order to establish the current property tax rate.

The Selectmen cannot increase the total of the approved budget; however, they have the power to reclassify its components when necessary.

B. Budgetary Basis

The general fund final appropriation appearing on the "Budget and Actual" page of the fund financial statements represents the final amended budget after all reserve fund transfers and supplemental appropriations.

C. Budget/GAAP Reconciliation

The budgetary data for the general fund is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the general fund are presented in accordance with budgetary accounting principles to provide a meaningful comparison with budgetary data.

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting

General Fund	Revenues and Other Financing Sources	Expenditures and Other Financing Uses
Revenues/Expenditures (GAAP basis)	\$ 5,001,055	\$ 4,867,401
Subtotal (GAAP Basis)	5,001,055	4,867,401
Adjust tax revenue to accrual basis	(66,178)	-
Reverse beginning of year appropriation carryforwards from expenditures	-	(624,682)
Add end of year appropriation carryforwards to expenditures	-	144,203
Budgetary basis	\$ 4,934,877	\$ 4,386,922

3. Cash and Short-Term Investments

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. RSA 48:16 limits "deposit in any one bank shall not at any time exceed the sum of its paid-up capital and surplus, except that a Town with a population in excess of 50,000 is authorized to deposit funds in a solvent bank in excess of the paid-up capital surplus of said bank." The Town does not have a deposit policy for custodial credit risk.

As of December 31, 2008, \$ 6,447,136 of the Town's bank balance of \$ 8,776,215 was exposed to custodial credit risk as uninsured, uncollateralized, and collateral held by pledging bank's trust department not in the Town's name.

4. Investments

A. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law employs the prudent person rule whereby investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general avoid speculative investments.

B. Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. At this time, the custodial credit risk cannot be determined.

5. Taxes Receivable

The Town bills property taxes semi-annually, in May and November. Property tax revenues are recognized in the fiscal year for which taxes have been levied. Property taxes are due on July 1 and December 1. Delinquent accounts are charged 12% interest. In March of the next year, a lien is recorded on delinquent property at the Registry of Deeds. The Town purchases all the delinquent accounts by paying the delinquent balance, recording costs and accrued interest. The accounts that are liened by the Town will be reclassified from property taxes receivable to unredeemed tax liens receivable. After this date, delinquent accounts will be charged interest at a rate of 18%. The Town annually budgets amounts (overlay for abatements) for property tax abatements and refunds.

Taxes receivable at December 31, 2008 consist of the following (in thousands):

Real Estate	2008	\$ 607,407	607,407
Unredeemed Taxes	2007	97,837	
	2006	22,145	
			119,982
Yield Tax			580
Total			\$ 727,969

Taxes Collected for Others

The Town collects property taxes for the State of New Hampshire, the Litchfield School District and the County of Hillsborough. Payments to the other taxing units are normally made throughout the year. The ultimate responsibility for the collection of taxes rests with the Town.

6. Allowance for Doubtful Accounts

The receivables reported in the accompanying entity-wide financial statements reflect the following estimated allowances for doubtful accounts (in thousands):

Property taxes	<u>Governmental</u>
	\$ 25,000

7. Intergovernmental Receivables

This balance represents reimbursements requested from Federal and State agencies for expenditures incurred in fiscal 2008.

8. Interfund Fund Receivables/Payables

Although self-balancing funds are maintained, most transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The following is an analysis of the December 31, 2008 balances in interfund receivable and payable accounts:

Fund	Due From Other Funds	Due To Other Funds
General fund	\$ 66,489	\$ 84,211
Special revenue funds	84,211	13,147
Trust and agency funds	-	53,342
Total	\$ 150,700	\$ 150,700

9. Intergovernmental Payable

The amount due to other governments of \$ 4,071,633 represents the balance of the district assessment due to the Litchfield School District for the 2008/2009 school year.

10. Capital Assets

Capital asset activity for the year ended December 31, 2008 was as follows (in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, being depreciated:	\$ 1,876	\$ -	\$ -	\$ 1,876
Buildings and improvements	1,581	29	-	1,610
Machinery, equipment, and furnishings	502	-	-	502
Infrastructure	-	-	-	-
Total capital assets, being depreciated	3,959	29	-	3,988
Less accumulated depreciation for:				
Buildings and improvements	(676)	(50)	-	(726)
Machinery, equipment, and furnishings	(673)	(130)	-	(803)
Infrastructure	(29)	(13)	-	(42)
Total accumulated depreciation	(1,378)	(193)	-	(1,571)
Total capital assets, being depreciated, net	2,581	(164)	-	2,417
Capital assets, not being depreciated:				
Land	3,080	420	-	3,500
Total capital assets, being depreciated, net	3,080	420	-	3,500
Governmental activities capital assets, net	\$ 5,661	\$ 256	\$ -	\$ 5,917

Depreciation expense was charged to functions of the Town as follows (in thousands):

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Governmental Activities:	
General government	\$ 28
Public safety	118
Highway	24
Culture and recreation	15
Sanitation	8
Total depreciation expense - governmental activities	\$ 193

11. Accounts Payable

Accounts payable represent additional 2008 expenditures paid after December 31, 2008.

12. Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

The balance of the General Fund deferred revenues account is equal to the total of all December 31, 2008 receivable balances, except property taxes that are accrued for subsequent 60 day collections.

13. Capital Lease Obligations

The Town is the lessee of certain equipment under capital leases expiring in various years through 2011. Future minimum lease payments under the capital and operating leases consisted of the following as of December 31, 2008:

Fiscal Year	Capital Leases
2009	\$ 89,498
2010	29,642
2011	14,994
Total minimum lease payments	134,134
Less amounts representing interest	(9,922)
Present Value of Minimum Lease Payments	\$ 124,212

14. Long-Term Liabilities

Changes in General Long-Term Liabilities

During the year ended December 31, 2008, the following changes occurred in long-term liabilities:

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	Total	Additions	Reductions	Total	Less	Equals
	Balance			Balance	Portion	Portion
	12/31/08			12/31/08	Forfeiture	12/31/08
Governmental Activities						
Other						
Capital leases	\$ 180,524	\$ 23,850	\$ (80,282)	\$ 124,092	\$ (82,841)	\$ 41,251
Accrued employee benefits	41,450	9,070	-	50,520	(2,526)	48,000
Totals	\$ 222,004	\$ 33,028	\$ (80,282)	\$ 174,750	\$ (85,469)	\$ 89,289

15. Restricted Net Assets

The accompanying entity-wide financial statements report restricted net assets when external constraints from grantors or contributors are placed on net assets.

Permanent fund restricted net assets are segregated between nonexpendable and expendable. The nonexpendable portion represents the original restricted principal contribution, and the expendable represents accumulated earnings which are available to be spent based on donor restrictions.

16. Reserves of Fund Equity

"Reserves" of fund equity are established to segregate fund balances which are either not available for expenditure in the future or are legally set aside for a specific future use.

The following types of reserves are reported at December 31, 2008:

Reserved for Encumbrances - An account used to segregate that portion of fund balance committed for expenditure of financial resources upon vendor performance.

Reserved for Perpetual Funds - Represents the principal of the non-expendable trust fund investments. The balance cannot be spent for any purpose; however, it may be invested and the earnings may be spent.

17. Litigation

The Town of Litchfield has brought a claim in the Hillsborough County Superior Court South against its former Treasurer and Trustee of Trust Funds, Horace W. Seymour, for the misappropriation of funds from Town banking accounts under the control of Mr. Seymour. Mr. Seymour was the elected Town Treasurer from 2005 until 2008. He was also a member of the Litchfield Trustees of Trust Funds from 2002 until 2005 and was Chairman of the Town's Recreation Commission from 2003 through 2008. Based upon a detailed audit conducted by the Town's Auditors, it has been estimated that

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Mr. Seymour misappropriated \$ 212,030 from accounts under his control for his use and benefit. The matter is presently scheduled for trial in May of this year but will likely be continued. Active negotiations are under way to have Mr. Seymour contest to judgment in an amount agreeable to the Town and the Town's insurance carrier, Primex and AUI Holdings. The Town has received \$ 156,112 from its insurance carriers to date and is seeking to recover the balance or an additional \$ 55,318. As of June 19, 2009 Seymour was found guilty of misappropriation of \$ 135,000 from the Town of Litchfield.

18. Post-Employment Health Care and Life Insurance Benefits

In addition to the pension benefits described in the following note, the Town provides post-employment health care and life insurance benefits, in accordance with state statute, to participating retirees. These benefits are included in the total cost of benefits for both active and retired employees. The number of participants currently eligible to receive benefits, and cost of benefits for retirees, their dependents, or their survivors for the year ended December 31, 2008 was not available.

19. Retirement System

The Town follows the provisions of GASB Statement No. 27, *Accounting for Pensions for State and Local Government Employees*, (as amended by GASB 50) with respect to the employees' retirement funds.

A. Plan Description

Full-time employees participate in the State of New Hampshire Retirement System (the System), a multiple-employer contributory pension plan and trust established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The plan is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers within the State of New Hampshire are eligible and required to participate in the system. Full-time employees of political subdivisions, including counties, municipalities and school districts, are also eligible to participate as a group if the governing body of the political subdivision has elected participation.

The New Hampshire Retirement System, a Public Employees Retirement System (PERS), is divided into two membership groups. State or local employees and teachers belong to *Group I*. Police officers and firefighters belong to *Group II*. All assets are held in a single trust and are available to each group, funding policies, vesting requirements, contribution requirements and plan assets available to pay benefits are disclosed in

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the System's annual report available from the New Hampshire Retirement System located at 4 Chenell Drive, Concord, New Hampshire 03301-8509.

B. Funding Policy

Plan members are required to contribute a percentage of their gross earnings to the pension plan, which the contribution rates are 5% for employees and teachers and 9.3% for police and fire. The Town makes annual contributions to the pension plan equal to the amount required by Revised Statutes Annotated 100-A:16, and is 11.84%, 15.92%, and 8.74% for police officers, fire employees, and general employees, respectively. The Town's contributions to the System for the years ended December 31, 2008, 2007, and 2006 were \$ 119,774, \$ 109,435 and \$ 95,459, respectively, which were equal to its annual required contributions for each of these years.

20. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no significant reductions in insurance coverage from the previous year and have been no material settlements in excess of coverage in any of the past three fiscal years.

21. Beginning Fund Balance Net Assets Restatement and Reclassification

The beginning (January 1, 2008) fund balances of the Town have been restated as follows:

<u>Government-Wide Financial Statements:</u>	
	Governmental Activities
As previously reported	\$ 9,020,107
Outstanding checks not reflected in prior year financial statements	(124,041)
As restated	<u>\$ 8,896,066</u>

Fund Basis Financial Statements:

	General Fund	Nonmajor Fund
As previously reported	\$ 1,715,836	\$ 418,319
Reclassify civil defense fund to nonmajor funds	(432)	432
Reclassify fire pond fund to nonmajor funds	(2,545)	2,545
Reclassify highway block grant to nonmajor funds	(469,582)	469,582
Outstanding checks not reflected in prior year financial statements	(124,041)	-
Other	(25,000)	-
As restated	<u>\$ 1,094,236</u>	<u>\$ 890,878</u>



MELANSON HEATH & COMPANY, P.C.

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MANAGEMENT ADVISORS

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To the Board of Selectmen
Town of Litchfield, New Hampshire

In planning and performing our audit of the financial statements of the Town of Litchfield, New Hampshire as of and for the year ended December 31, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered the Town of Litchfield's internal accounting control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Town's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Town's financial statements that is more than inconsequential will not be prevented or detected by the Town's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Town's internal control. A material weakness is noted in the table of contents and comment headings

John and Mary
Shelton, MA • Concord, NH • Hanover, NH • Manchester, NH

In addition, during our audit we became aware of other matters that are opportunities for strengthening internal controls and operating efficiency. The recommendations that accompany this letter summarize our comments and suggestions concerning those matters.

The Town's written response to our comments and suggestion has not been submitted to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of management, Board of Selectmen, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

After you have had an opportunity to consider our comments and recommendations, we would be pleased to discuss them with you.

Melanson, Heath & Company P.C.

Nashua, New Hampshire

June 10, 2010

CURRENT YEAR RECOMMENDATIONS:

1. Improve Monthly Reconciliations (Material Weakness)

In 2008, The Town did not have a formal system in place to reconcile key general ledger accounts. Monthly reconciliations are necessary to prove the accuracy of general ledger records as well as to provide a method of checks and balances between the financial departments. The lack of this procedure results in an increased risk that the Town's accounting records could contain errors or omissions. This was evidenced by the significant adjustments that were required by the Town's outside consultants to accurately report the Town's cash and receivable account balances.

We recommend the Town establish formal procedures to reconcile the following critical general ledger balances on a monthly basis:

- Cash - overall balances should be reconciled to the Treasurer.
- Receivables - each balance should be reconciled to the Tax Collector.
- Impact fees/escrow balances - should be reconciled to responsible Town departments.

Implementation of this recommendation will provide assurance that the Town's internal financial reports are accurate. It will also provide the necessary checks and balances over the Treasurer and Tax Collector Offices to ensure that errors or irregularities are identified and corrected in a timely manner.

Town's Response:

The Town has established a policy for the reconciliation between the Treasurer, Tax Collector/Town Clerk and Selectmen's Office during 2009. This policy requires the monthly reconciliations between all three groups with the participation and signoff of the Board of Selectmen. This policy reconciles the cash receivables by the Tax Collector/Town Clerk, the Treasurer's balances to the bank statements and the balances of the various escrow accounts held by the Treasurer.

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2. Develop Departmental Receipt Policies and Procedures

The Town currently does not have formal written policies and procedures for departments to follow for collecting and remitting departmental receipts. Although we did not detect any errors or irregularities during our audit, the lack of formal policies and procedures increases the risk that such situations could occur and go undetected.

We recommend the Town establish formal written departmental receipt policies and procedures, which should address, at a minimum, the following:

- Standardized receipt logs
- Standardized receipt turnover forms
- Requiring two signatures on the receipt turnover form
- Requiring departments remit receipts to the Collector
- Prohibiting the collection of currency, wherever feasible
- Establishing frequencies of turnovers and physical security over receipts

We further recommend that the Town perform periodic internal audits of the various departments to assure compliance with the policies and procedures that are adopted. This should result in improved controls over departmental receipts and reduce the likelihood of irregularities occurring.

We also recommend that a copy of the departmental receipt turnover form be provided by departments directly to the Town Administrator in order to reconcile with the receipt postings. This will provide a necessary measure of checks and balances between departments.

Town's Response:

The Town of Litchfield will develop a policy for the collection and remitting of receipts. It is the intention of the Board of Selectmen that the policy will include the observations and suggestions outlined in the 2008 audit management letter. Timing of this policy will be prior to the end of the year 2010.

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3. Other Internal Control Areas

A key component of any financial statement audit is the evaluation of internal controls. This evaluation is accomplished through inquiry, observation and testing. The following weaknesses were noted as a result of our evaluation of controls during our 2008 audit. We understand some of these issues may have been addressed by the Town in 2009 or 2010. We will be available to discuss these with the Town in more detail.

Town-Wide Issues:

- Establish a formal fraud policy for Town employees.

Town's Response:

The Town has drafted a fraud policy and has had the document reviewed by Town Counsel. This policy has been approved by the Board of Selectmen pending Counsel's opinion and will become effective July 1, 2010.

General Ledger Issues:

- Maintain all funds (other than trustee of trust funds) in the general ledger.
- Maintain organized records for all adjusting journal entries, including explanations and support.
- Provide expenditure reports to departments at least monthly.
- Provide revenue reports to all departments that collect revenues.

Town's Response:

Commencing in 2009, all funds are being entered into the general ledger computer system. This work is expected to be completed in 2010. The Town has begun to maintain all adjusting journal entries with documentation and support attached in a monthly filing system suitable for audit.

All department heads, Trustees, Budget Committee members, and Selectmen receive weekly expense against budget reports and monthly they receive a report of revenues against forecasted revenues. Further, this information is made available to the public through web posting.

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Computer Issues:

- Establish regular offsite computer backups.

Town's Response:

The Town of Litchfield has established a backup schedule for all critical files within its network, which includes weekly offsite backups. Daily backups are executed Monday through Friday, which then are streamed offsite on the following Saturday. These backups are maintained for a six month period and then removed after that period of time.

Vendor Disbursement Issues:

- Close excessive number of credit cards and establish formal credit card policy for remaining cards.
- Require that all vendor checks be mailed by the Board of Selectmen's office.

Town's Response:

Commencing in 2009, all existing credit cards were closed. The Town has now re-issued selected department heads with one limited credit card. A written policy on credit card usage has been adopted by the Selectmen, which requires the signature of all card holders showing their review, agreement, and understanding of the policy.

Commencing in 2009, all vendor checks signed by the Treasurer are mailed from and by the Selectmen's office.

Payroll Issues:

- Establish employee personnel files, including documented pay rate approval forms.
- Prohibit the distribution of paychecks until the payroll is formally approved by the Board of Selectmen.

Town's Response:

Commencing in 2009, all personnel files are maintained in the Selectmen's office or with the department head. In 2010, the Town is working to include pay rate notices and change justifications in those files. In 2008, the Town

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utilized the contract payroll services of Advantage. The required timing of the payroll accounting and paycheck printing resulted in the payroll being signed by Selectmen on the Monday after the Thursday pay date. In 2010, the Town ceased utilizing Advantage for the payroll accounting and check printing functions and instead those activities are now performed by the Selectmen's office. This change now ensures that the Selectmen sign the payroll on the Monday prior to the check distribution to employees on Thursdays.

Treasury Issues:

- Document a summary of all Town bank reconciliations on a single form to be used to prove to general ledger balances.
- Consolidate impact/trescrow passbook accounts into a master bank account.
- Consider increasing collateralization of bank accounts.
- Void old outstanding checks at least annually.

Collector Issues:

- Maintain a control log to track receivable activity.

Town's Response:

Control logs have always been maintained in both the Town Clerk and Tax Collector. Up until this year 2010 we have kept a running log in a general ledger which I have in my office.

- Reconcile control log to detail receivable lists, and to Town general ledger receivable records.

Town's Response:

T. Briand started doing this in January 2010 with L. Langille.

- Sign off on receipt turnover forms by two individuals.

Town's Response:

Each day when the daily close out is balanced and completed it is now signed off on by either the Town Clerk/Tax Collector or the deputy. Then there is a line for the Treasurer to sign off on as well.

- Consider using a lockbox service for receipt processing.

Town's Response:

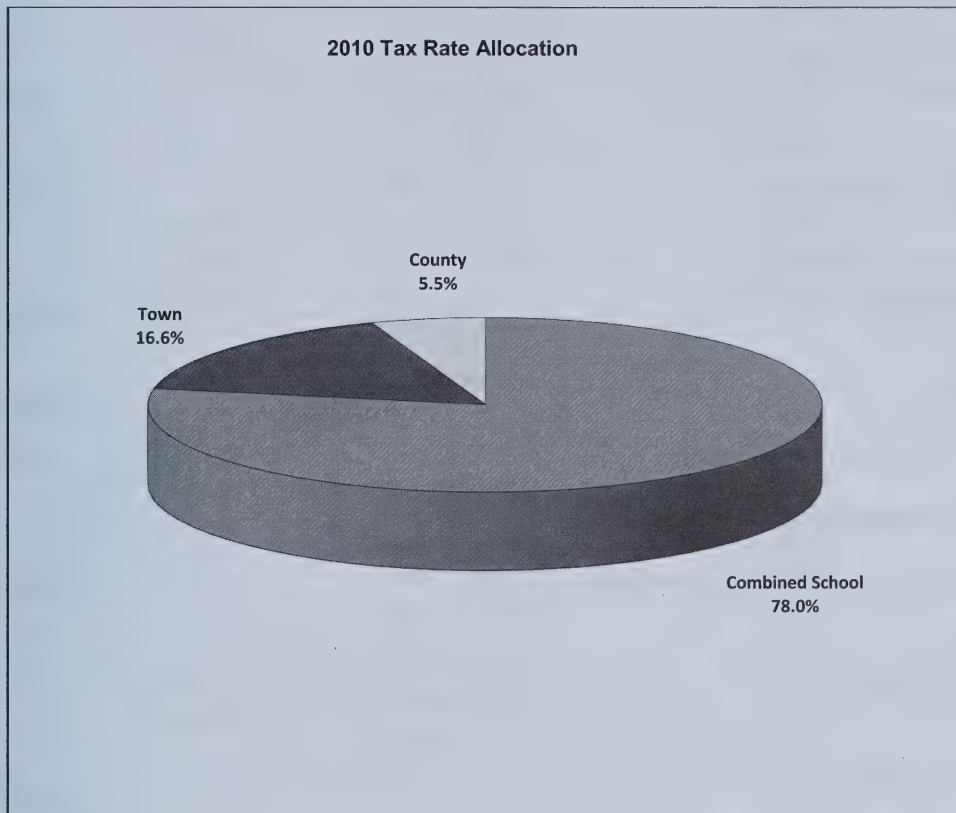
T. Briand will look into the cost of this at the September 2010 Tax Collector's conference for pricing to the Town, although it will not be in the 2011 budget because budgets are due mid August.

Trust Fund Issues:

- Bring library trust stock investments in house or contract with a broker.
- Track expendable and nonexpendable portions of trust funds for MS-9 Trustee report



2010 TAX RATE ALLOCATION



2010 TAX RATE

Combined School	\$14.97
Town	\$3.18
County	\$1.05
Total	<u>\$19.20</u>



2010 SUMMARY OF INVENTORY

Value of Land Only

Current Use	\$	429,753	
Conservation Restriction		2,053	
Residential Land		296,666,300	
Commercial/Industrial		<u>11,079,700</u>	
Total Land			308,177,806

Value of Buildings Only

Residential	\$	441,786,900	
Manufactured Housing		4,379,200	
Commercial/Industrial		<u>17,203,700</u>	
Total Buildings			463,369,800

Utilities			<u>34,308,300</u>
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Total Valuation before Exemptions			805,855,900
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Improvements to Assist Persons w/ Disabilities			<u>58,700</u>
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Modified Assessed Valuation of all Properties	\$		805,797,206
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Blind Exemptions	\$	60,000	
Elderly Exemptions		<u>2,818,600</u>	

Total Exemptions			\$2,878,600
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Net Valuation on which the Tax Rate for Municipal, County & Local	\$		802,918,600
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Less Utilities			<u>34,308,300</u>
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Net Valuation without Utilities on which Tax Rate for State Education Tax is Computed	\$		768,610,306
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DETAIL EXPENSE REPORT 2010

EXECUTIVE

Appropriation		17,400.00
Expended:		
	Selectmen's Salaries	8,676.45
	Selectmen's Expense	900.00
	Public Notices & Ads	367.79
	Recording Fees	67.76
	Cell Phone Charges	603.49
	Clerical Support	393.75
	Dues & Subscriptions	6,201.10
	Postage	10.00
	Training	100.00
	Background Checks	95.00
	Total	17,415.34
Surplus/(Deficit)		(15.34)

ADMINISTRATION

Appropriation		109,314.99
Expended:		
	Office Manager	60,062.56
	Town Administrator	31,732.35
	Health Insurance	14,966.24
	Dental Insurance	1,195.88
	Short-term Disability	497.00
	Dues & Subscriptions	35.00
	Books & Periodicals	22.00
	Mileage & Tolls	41.40
	Seminars	80.00
	Total	108,632.43
Surplus/(Deficit)		682.56

TOWN MEETING

Appropriation		18,058.00
Expended:		
	Ballot Clerks	1,327.17
	Election Workers	610.93
	Moderator	1,130.67
	Optech Program	3,187.50
	Equipment Maint. Contract	200.00
	Printing	1,095.00
	Annual Town Report	9,815.00
	Office Supplies	4.50
	Ballots	2,366.28



DETAIL EXPENSE REPORT 2010

(Continued)

	New Equipment	180.41	
	Total	19,917.46	
Surplus/(Deficit)			(1,859.46)

TOWN CLERK

Appropriation			91,903.00
Expended:			

Deputy Town Clerk	20,096.45
Clerk Wages	14,480.18
Town Clerk Salary	28,577.52
Overtime Deputy	183.84
Overtime Clerk	3.17
Health Insurance	12,247.25
Dental Insurance	1,035.20
Short-term Disability	319.14
Software Support	3,891.20
Microfilming & Binding	250.00
Equipment Maint. Contract	96.00
Postage Meter	342.00
Office Supplies	1,198.79
Dog Tags & License Forms	303.20
Postage	3,803.00
Election Provisions	409.47
Equipment Purchases	798.75
Mileage & Tolls	1,229.00
Seminars & Conventions	706.50
Total	89,970.66

Surplus/(Deficit)			1,932.34
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VOTER REGISTRATION

Appropriation			1,474.00
Expended:			

Supervisor Salaries	981.09
Clerical Support	350.00
Office Supplies	234.06
Postage	20.74
Total	1,585.89

Surplus/(Deficit)			(111.89)
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DETAIL EXPENSE REPORT 2010

(Continued)

ACCOUNTING & AUDITING			
Appropriation			305,461.00
Expended:			
	Sec/Bookkeeping Staff	95,942.96	
	Office/Finance Manager	1,197.20	
	Overtime Sec/Bookkeeping	3,260.57	
	Health Insurance	17,271.76	
	Dental Insurance	1,166.41	
	Short-term Disability	578.92	
	Telephone	5,536.67	
	Software Support	6,863.56	
	Consulting Services	12,741.25	
	Payroll Services	4,200.00	
	Software	1,824.26	
	Equip. Maint. Contract	2,698.91	
	Printing	1,321.80	
	Dues & Subscriptions	35.00	
	Office Supplies	3,427.28	
	Postage	521.00	
	Equipment Repair/Maint.	350.00	
	Equipment Purchases	1,497.99	
	Seminars	425.00	
	Auditing Services	18,500.00	
	Assessing Services	101,100.70	
	Total	280,461.24	
Surplus/(Deficit)			24,999.76
TAX COLLECTOR			
Appropriation			93,540.00
Expended:			
	Deputy Tax Collector	20,009.61	
	Clerk Wages	14,480.03	
	Tax Collector Salary	28,577.52	
	Overtime Deputy	193.15	
	Overtime Clerk	2.93	
	Health Insurance	12,247.02	
	Dental Insurance	1,035.29	
	Short-term Disability	319.14	
	Property Title Research	3,038.62	
	Recording Fees	587.60	
	Software Support	2,907.00	
	Postage Meter	342.00	



DETAIL EXPENSE REPORT 2010

(Continued)

Dues & Subscriptions	20.00
Office Supplies	972.41
Postage	4,320.31
Eqt. Repair/Maintenance	95.00
Equipment Purchases	1,497.76
Mileage & Tolls	1,018.00
Seminars & Convention	882.48
Total	<u>92,545.87</u>

Surplus/(Deficit) 994.13

TREASURY

Appropriation 8,298.00
Expended:

Treasurer Salary	6,417.37
Trustees Salaries	175.28
Safety Deposit Box Rental	118.75
Office Supplies	55.46
Postage	1,500.00
Mileage & Tolls	307.50
Total	<u>8,574.36</u>

Surplus/(Deficit) (276.36)

BUDGETING

Appropriation 1,850.00
Expended:

Secretarial/Steno Services	2,628.75
Seminars	40.00
Total	<u>2,668.75</u>

Surplus/(Deficit) (818.75)

LEGAL EXPENSE

Appropriation 60,000.00
Expended:

Town Attorney Retainer Fee	39,300.00
Litigation Fees	10,801.00
Total	<u>50,101.00</u>

Surplus/(Deficit) 9,899.00

PERSONNEL ADMINISTRATION

Appropriation 286,082.61
Expended:

Social Security Taxes	70,193.85
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DETAIL EXPENSE REPORT 2010 (Continued)

Medicare Taxes	26,793.16
Employee Retirement	37,136.02
Firefighter Retirement	20,415.24
Police Retirement	102,775.31
Unemployment	223.00
Workers Compensation	35,631.00
Total	293,167.58

Surplus/(Deficit) (7,084.97)

PLANNING BOARD

Appropriation 67,254.00
Expended:

Admin. Assistant	20,397.21
Health Insurance	7,098.75
Dental Insurance	683.28
Public Notices & Ads	832.37
Secretarial/Steno Services	3,172.30
NRPC Planner	20,040.60
Printing	71.00
NRPC Dues	6,184.00
Office Supplies	55.86
Postage	980.43
Mileage & Tolls	50.75
Total	59,566.55

Surplus/(Deficit) 7,687.45

ZONING BOARD OF ADJUSTMENT

Appropriation 2,548.00
Expended:

Public Notices & Ads	255.85
Secretarial Services	567.00
Dues & Subscriptions	64.00
Seminars	180.00
Total	1,066.85

Surplus/(Deficit) 1,481.15

GENERAL GOVERNMENT BUILDINGS

FACILITIES

Appropriation 59,449.00
Expended:

Custodian	7,701.17
Electricity	14,972.78



DETAIL EXPENSE REPORT 2010 (Continued)

	Propane Gas	7,636.67	
	Water Charges	1,840.38	
	Meeting House Electricity	379.25	
	HVAC Maint. Contract	1,002.00	
	Water System Maint.	369.00	
	Floor Cleaning	1,425.16	
	TH/PS Alarm System	747.60	
	Generator Maintenance	590.00	
	TH/PS Tel Maintenance	1,516.80	
	Trash Container Services	1,552.35	
	Bldg. Maint. & Repairs	3,025.14	
	Eqt. Repair & Maint.	1,457.20	
	Generator Diesel Fuel	196.18	
	Custodial Maint. Supplies	2,048.93	
	Septic Tank Cleaning	355.00	
	Furniture/Fixture Purchase	124.99	
	Total	46,940.60	
Surplus/(Deficit)			12,508.40
OPERATIONS			
Appropriation			16,051.00
Expended:			
	Fire Alarm Phone System	790.75	
	Computer System Maint.	12,923.15	
	Fire Detectors Testing	550.00	
	Total	14,263.90	
Surplus/(Deficit)			1,787.10
CEMETERIES			
Appropriation			2,250.00
Expended:			
	Pinecrest Cemetery Maint.	720.00	
	Center Cemetery Maint.	555.00	
	Hillcrest Cemetery Maint.	1,213.58	
	Total	2,488.58	
Surplus/(Deficit)			(238.58)
INSURANCE			
Appropriation			59,353.00
Expended:			



DETAIL EXPENSE REPORT 2010 (Continued)

Property & Mobile Eqt.	6,575.50
Auto Insurance	13,893.50
General Liability	20,306.50
Law Enforcement Liability	13,227.50
Crime Insurance	161.50
Additional Limits	1,627.50
Total	<u>55,792.00</u>

Surplus/(Deficit) 3,561.00

OTHER GENERAL GOVERNMENT

Appropriation 37,000.00

Expended:

Contingency Fund	5,000.00
Total	<u>5,000.00</u>

Surplus/(Deficit) 32,000.00

POLICE DEPARTMENT

ADMINISTRATION

Appropriation 255,698.00

Expended:

Police Chief Salary	77,445.84
Lieutenant Wages	67,176.92
Overtime Lieutenant	3,902.96
Lieutenant Training Wages	400.56
Overtime Training	11.68
Uniform Allowance	800.00
Health Insurance	24,963.36
Dental Insurance	2,141.64
Short-term Disability	747.60
Uniforms & Accessories	28.95
Public Notices & Ads	449.82
Telephone	14,240.61
Pre-employ Phy./Testing	2,297.00
Prosecutor Contracted	54,538.50
Eqt. Maint. Contract	592.04
Dues & Subscriptions	1,126.62
Community Relations	287.08
Office Supplies	2,626.73
Postage	489.23
Seminars & Conventions	944.25
Total	<u>255,211.39</u>

Surplus/(Deficit) 486.61



DETAIL EXPENSE REPORT 2010

(Continued)

CRIME CONTROL & INVESTIGATION

Appropriation 190,141.00

Expended:

Sergeant Wages	130,078.60
Sergeant Overtime	14,309.16
Sergeant Training Wages	1,559.41
Sergeant Court Wages	2,205.81
Uniform Allowance	400.00
Health Insurance	25,827.03
Dental Insurance	2,208.74
Short-Term Disability	747.60
Long-Term Disability	840.00
Life Insurance	423.50
Uniforms & Accessories	179.16
Photo Lab Services	250.00
Eqt. Maintenance Contract	9,285.88
Film & Photo Supplies	499.29
Minor Tools & Supplies	3,826.86
Equipment Purchases	2,020.89
Seminars	304.25
Total	194,966.18

Surplus/(Deficit) (4,825.18)

TRAFFIC CONTROL

Appropriation 573,916.48

Expended:

Master Patrolman Wages	132,280.77
Patrolman Wages	136,647.57
Corporal Wages	39,359.36
Special Officers	90,524.99
Master Patrolman OT	28,010.12
Patrolman OT	18,692.08
Corporal OT	9,102.13
Patrolman Training	15,990.24
Patrolman Court	1,402.14
M Patrolman Training	2,512.59
M Patrolman Court	2,676.73
Corporal Training	396.69
Corporal Court	416.57
Uniform Allowance	4,908.00
Health Insurance	77,316.01



DETAIL EXPENSE REPORT 2010 (Continued)

Dental Insurance	7,083.00
Short-term Disability	2,054.60
Long-term Disability	2,119.92
Life Insurance	2,198.00
Uniforms & Accessories	3,854.72
Radar Certification	520.78
Vehicle Fuel	27,864.68
Vehicle Repairs/Maint.	14,843.18
Tire Purchases	1,400.41
Cruiser Purchases	34,429.32
Seminars	1,355.00
Total	657,959.60

Surplus/(Deficit) (84,043.12)

TRAINING

Appropriation 3,300.00

Expended:

Ammunition 5,174.25

Surplus/(Deficit) (1,874.25)

SUPPORT SERVICES

Appropriation 176,661.80

Expended:

Sec/Dispatcher Wages	58,388.01
PT Sec/Dispatcher	28,020.82
Sec/Dispatcher Overtime	167.30
Uniform Allowance	987.50
Health Insurance	23,338.62
Dental Insurance	2,247.22
Short-term Disability	564.15
Long-term Disability	576.90
Life Insurance	423.25
Uniform & Accessories	69.95
Emerg. Response Team	5,000.00
Dispatch Service Contract	37,756.00
Internet Maint. Contract	295.00
Equipment Purchase/Rental	1,140.00
Printing	250.00
Eqt. Repair/Maint.	162.99
Total	159,387.71

Surplus/(Deficit) 17,274.09



DETAIL EXPENSE REPORT 2010 (Continued)

POLICE STATION

Appropriation		500.00
Expended:	Furniture Fixture Purchase	0.00
Surplus/(Deficit)		500.00

AMBULANCE

Appropriation		35,000.00
Expended:	Ambulance Service Charges	34,839.24
Surplus/(Deficit)		160.76

FIRE DEPARTMENT

ADMINISTRATION

Appropriation		36,653.00
Expended:		
	Fire Chief	3,033.75
	Investigator Wages	1,668.15
	Uniforms & Accessories	473.64
	Contracted Secretarial	417.47
	Telephone	8,119.35
	Computer Software Cont.	1,491.00
	Pre-employment Phy./Tests	262.50
	Printing	306.46
	Dues & Subscriptions	678.90
	Office Supplies	953.95
	Postage	147.37
	Copier Charges	1,011.09
	Computer Eqt. Purchases	4,846.05
	Chief's Vehicle Lease/Purch.	8,995.00
	Total	32,404.68
Surplus/(Deficit)		4,248.32

FIRE FIGHTING

Appropriation		343,082.00
Expended:		
	Firefighter/EMT Wages	102,792.70
	Call Firefighters	86,264.95
	Coverage for FT Firefighter	10,639.55
	Coverage for Paramedic	2,850.03
	Saturday/Sunday Coverage	18,214.44



DETAIL EXPENSE REPORT 2010 (Continued)

	Fire Inspector	66.99	
	Overtime Firefighter	9,032.34	
	Health Insurance	19,574.28	
	Dental Insurance	1,795.26	
	Short-term Disability	4,004.88	
	Uniforms & Accessories	2,610.71	
	Fire Pump Service & Cert	6,025.20	
	Ground Ladder Service	647.50	
	Equipment Rental	363.00	
	Foam & Extinguisher Support	3,849.45	
	Vehicle Fuel	3,860.84	
	Diesel Fuel	8,694.06	
	Provisions	1,003.07	
	Minor Tools & Supplies	539.85	
	Equipment Purchases	42,693.67	
	Property Damage Claims	2,702.00	
	Total	328,224.77	
Surplus/(Deficit)			14,857.23
FIRE PREVENTION			
Appropriation			1,000.00
Expended:			
	FD Community Relations	1,021.70	
Surplus/(Deficit)			(21.70)
TRAINING			
Appropriation			42,804.00
Expended:			
	Training Wages	27,131.62	
	Training Classes	10,798.95	
	Training Eqt. Purchases	495.98	
	Mileage & Tolls	648.71	
	Total	39,075.26	
Surplus/(Deficit)			3,728.74
COMMUNICATIONS			
Appropriation			17,300.00
Expended:			
	Dispatch Service Contract	8,316.00	
	Comm. Eqt. Maint. Contract	926.17	
	Portable Radio Batteries	1,942.93	
	Portable Radio Repairs	903.07	



DETAIL EXPENSE REPORT 2010 (Continued)

	Radio Installation & Repair	7,729.65	
	Total	19,817.82	
Surplus/(Deficit)			(2,517.82)

REPAIR SERVICES

Appropriation			52,800.00
Expended:			

Equipment Repair Wages	2,178.94
Equipment Repair/Maint.	2,187.92
Air Compressor Serv. Cont.	481.30
Scott Air Pack Maint. Cont.	2,915.00
Vehicle Repair/Maint.	42,053.73
Tire Purchases	1,151.56
Minor Tools & Supplies	478.91
Total	51,447.36

Surplus/(Deficit)			1,352.64
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MEDICAL SERVICES

Appropriation			10,700.00
Expended:			

Oxygen Tank Refills	272.00
Medical Eqt. Maintenance	1,082.53
Medical Supplies	6,013.30
Medical Equipment	3,798.48
Total	11,166.31

Surplus/(Deficit)			(466.31)
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FIRE STATION

Appropriation			17,256.00
Expended:			

Electricity	6,143.88
Heating Oil	4,058.34
Station Repair/Maintenance	3,821.59
Custodial Maint. Supplies	809.91
Septic Tank Cleaning	500.00
Furniture/Fixture Purchases	267.32
Total	15,601.04

Surplus/(Deficit)			1,654.96
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INCIDENT & FIRE INVESTIGATION

Appropriation			1,600.00
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DETAIL EXPENSE REPORT 2010 (Continued)

Expended:

Investigation Schooling	0.00
Equipment Purchases	555.00
Total	555.00

Surplus/(Deficit) 1,045.00

CODE ENFORCEMENT

Appropriation 78,810.00

Expended:

Code Enforce. Salary	67,340.40
Temp. Inspect. Wages	615.25
Dental Insurance	420.18
Short-term Disability	373.80
Telephone	729.75
Printing	182.99
Dues Licenses & Subscript	300.00
Office Supplies	300.00
Postage	50.00
Vehicle Fuel	806.66
Vehicle Repair/Maint.	130.47
Code Materials	186.95
Vehicle Lease/Purchase	6,451.62
Seminars & Conventions	110.00
Totals	77,998.07

Surplus/(Deficit) 811.93

EMERGENCY MANAGEMENT

Appropriation 23,000.00

Expended:

EM Wages	541.82
Emergency Planning	2,478.22
Haz Mat District Assess	5,852.93
Equipment Purchases	3,543.50
Total	12,416.47

Surplus/(Deficit) 10,583.53

HIGHWAY AND STREETS

Road Agent's Office

Appropriation 4,164.00

Expended:

Road Agent Salary	910.11
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DETAIL EXPENSE REPORT 2010 (Continued)

	Public Notices & Ads	41.65	
	Telephone	2,339.84	
	Dues & Subscriptions	70.00	
	Office Supplies	49.13	
	Postage	8.30	
	Books & Periodicals	22.00	
	New Equipment	729.01	
	Total	4,170.04	
Surplus/(Deficit)			(6.04)
ENGINEERING			
Appropriation			14,050.00
Expended:			
	Consulting Engineer Serv.	7,285.35	
	Drawing/Blueprints	0.00	
	Total	7,285.35	
Surplus/(Deficit)			6,764.65
ROAD MAINTENANCE PROJECTS			
Appropriation			23,000.00
Expended:			
	Culvert Replacement	9,395.00	
Surplus/(Deficit)			13,605.00
ROAD MAINTENANCE			
Appropriation			272,259.00
Expended:			
	Workmen Wages	65,019.57	
	Workmen Overtime	6,501.44	
	Uniforms & Accessories	147.18	
	Electricity	2,753.09	
	Propane Gas-Garage Heat	3,526.00	
	Equipment Hire	55,204.75	
	Pavement Striping/Markings	8,693.62	
	Tree Removal	1,725.00	
	Road Sweeping	6,800.00	
	Eqt Repair/Maintenance	6,728.72	
	Vehicle Fuel	6,925.09	
	Vehicle Repair/Maintenance	6,692.40	
	Tire Purchases	851.09	
	Signs, Posts & Accessories	2,477.21	
	Minor Tools & Supplies	4,842.70	



DETAIL EXPENSE REPORT 2010 (Continued)

	Safety Equipment	1,239.75	
	Vehicle Lease	5,999.00	
	Total	186,126.61	
Surplus/(Deficit)			86,132.39

STORM DRAINS

Appropriation			30,000.00
Expended:			
	Catch Basin Clean Outs	10,240.00	
	Catch Basin Replacements	7,419.30	
	Total	17,659.30	
Surplus/(Deficit)			12,340.70

SNOW PLOWING / REMOVAL

Appropriation			112,350.00
Expended:			
	Building Repair/Maint	14,270.27	
	Plow & Spreader Repairs	23,949.46	
	Salt	65,345.26	
	Sand	5,068.44	
	Eqt. Purchase/Snow Removal	8,183.76	
	Total	116,817.19	
Surplus/(Deficit)			(4,467.19)

STREET LIGHTING

Appropriation			18,949.00
Expended:			
	Street Lights-Utility Fees	19,101.90	
Surplus/(Deficit)			(152.90)

SANITATION

ADMINISTRATION			
Appropriation			76,999.00
Expended:			
	Facility Manager	50,252.00	
	Assistant Manager	23,868.38	
	Overtime Facility Manager	1,418.58	
	Overtime Asst. Manager	921.10	
	Health Insurance	11,125.98	
	Dental Insurance	1,116.43	
	Telephone	487.41	



DETAIL EXPENSE REPORT 2010

(Continued)

Dues Northeast Resource	423.40	
Operations License Fee	998.99	
Seminars/Workshops	200.00	
Total	90,812.27	
Surplus/(Deficit)		(13,813.27)

SOLID WASTE DISPOSAL

Appropriation		127,400.00
Expended:		
Laborers	7,184.13	
OT Laborers	37.50	
Bulldozing/Gravel/Etc	1,048.25	
Demo Material Tire Disposal	100,375.31	
Total	108,645.19	
Surplus/(Deficit)		18,754.81

INCINERATION

Appropriation		153,391.00
Expended:		
Inciner. Oper./Laborers	17,259.82	
Clothing Allowance	1,572.93	
Ash Testing	1,307.50	
Pest Control Service	360.00	
Electricity	10,604.06	
Equipment Rental	1,380.50	
Building Repair/Maint.	5,999.90	
Eqt. Repair/Maint.	20,182.22	
Gas and Oil	272.87	
Diesel Fuel	1,316.47	
Incinerator Unit Fuel Oil	25,310.66	
Septic Tank Cleaning	235.00	
Tire Purchase	2,776.00	
Ash Disposal	10,945.67	
Signs, Post & Accessories	675.00	
Minor Tools & Supplies	1,159.86	
Skid Loader Lease	8,483.21	
Total	109,841.67	
Surplus/(Deficit)		43,549.33

RECYCLING

Appropriation		18,182.00
Expended:		



DETAIL EXPENSE REPORT 2010
(Continued)

Propane Gas	1,526.88
Bldg Maint./Repair	384.31
Equipment Maintenance	319.80
Recyclables - Disposal Fee	6,052.10
Electronics Recycling	6,500.00
Total	14,783.09

Surplus/(Deficit) 3,398.91

HAZARDOUS WASTE

Appropriation 6,431.00

Expended:

Residential Haz. Waste 6,229.00

Surplus/(Deficit) 202.00

CONVERSION COST

Appropriation 162,580.00

Expended:

Compactor & Equipment	66,613.96
Site Rehab/Improvements	24,435.80
Excavation	3,681.95
Lighting & Compactors	5,525.00
Disposal & Transitional	9,142.66
Fire Safety & Detection	30,497.41
Total	139,896.78

Surplus/(Deficit) 22,683.22

HEALTH DEPARTMENT

Appropriation 1,865.00

Expended:

Health Officer Salary	1,385.39
Water Analysis	120.00
Dues & Subscriptions	25.00
Office Supplies	61.66
Seminars & Conventions	60.00
Total	1,652.05

Surplus/(Deficit) 212.95

MOSQUITO DISTRICT

Appropriation 27,935.00

Expended:

Secretarial Services	416.25
Larval Habitat Documents	1,750.00



DETAIL EXPENSE REPORT 2010

(Continued)

Larval Control Applications	7,175.00
Catch Basin Mapping	3,425.00
Specimen Testing & Report	14,270.00
Total	27,036.25

Surplus/(Deficit)

898.75

ANIMAL CONTROL

Appropriation

22,034.00

Expended:

Animal Control Officer	11,341.65
Mileage Allowance	1,800.00
Uniforms & Accessories	154.98
Telephone	441.49
Electricity	2,409.74
Dues & Licenses	350.00
Office Supplies	99.96
Postage	299.20
Building Repairs/Maintenance	2,170.00
Custodial Maint. Supplies	150.00
Food & Accessories	73.38
Equipment Purchases	2,412.57
Total	21,702.97

Surplus/(Deficit)

331.03

HEALTH AGENCIES

Appropriation

6,784.00

Expended:

Big Brother/Big Sister	500.00
Child Advocacy Center	2,000.00
Visiting Nurses	2,500.00
St Joseph Community	300.00
Bridges	82.00
Nashua Mediation Program	82.00
Community Council	1,320.00
Total	6,784.00

Surplus/(Deficit)

0.00

WELFARE

VENDOR PAYMENTS

Appropriation

25,000.00

Expended:

Electricity	2,568.07
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DETAIL EXPENSE REPORT 2010 (Continued)

	Heating Oil/Gas	99.00	
	Groceries, Household Items	1,059.43	
	Housing (lienable)	2,681.08	
	Housing (rent)	9,362.00	
	Funeral	1,500.00	
	Total	17,269.58	
Surplus/(Deficit)			7,730.42

PARKS AND RECREATION

ADMINISTRATION & PROGRAMS

Appropriation			2,815.00
Expended:			
	Telephone	328.70	
	Office Supplies	165.20	
	Program Expenses	195.29	
	Mileage	133.50	
	Total	822.69	
Surplus/(Deficit)			1,992.31

MAINTENANCE OF PARKS

Appropriation			37,757.00
Expended:			
	Groundskeeper Wages	491.98	
	Electricity Sprinkler System	1,304.28	
	Chemical Toilet Rental	1,978.29	
	Equipment Repair/Maint.	1,000.00	
	Gas & Oil	686.94	
	Field Mowing	17,705.00	
	Field Maintenance	14,822.00	
	Minor Tools & Supplies	94.33	
	Equipment Purchases	67.98	
	Total	38,150.80	
Surplus/(Deficit)			(393.80)

MAINTENANCE OF RECREATIONAL FACILITIES

Appropriation			41,867.00
Expended:			
	Custodian Wages	3,901.57	
	Electricity - Talent Hall	5,929.40	
	Propane Gas - Talent Hall	3,785.15	



DETAIL EXPENSE REPORT 2010 (Continued)

Water Charges	1,389.67
Security Monitoring System	325.56
Cable Internet	808.01
Trash Container Services	2,619.53
Building Repair/Maint.	17,533.24
Custodial Maint. Supplies	421.70
Minor Tools & Supplies	67.01
Total	36,780.84

Surplus/(Deficit)

5,086.16

LIBRARY

Appropriation

173,418.00

Expended:

Library Director	49,455.14
Children's Librarian	30,880.49
Adult Services Librarian	24,985.28
Assistant Librarian	13,439.53
Custodian	3,698.26
Page Wages	6,586.09
Grounds Maintenance	20.00
Tuition Reimbursement	212.83
Telephone	894.58
Software Purchase/License	1,153.97
Electricity	4,660.41
Heating Oil	1,850.37
Equipment Maint. Contract	3,571.05
Water Cooler Supplies/Serv.	22.34
Trash Container Services	1,208.64
Dues & Subscriptions	684.93
Community Program	452.00
Postage	167.00
Library Supplies	2,311.25
Building Maint./Repairs	1,785.03
Equipment Repair/Maint.	2,672.88
Custodial Maint. Supplies	360.60
Sidewalk Maintenance	1,015.00
Reference Media Purchases	2,071.61
Books & Media	13,295.84
Periodicals	1,353.39
Equipment Purchases	2,436.64
Furniture/Fixture Purchases	738.47



DETAIL EXPENSE REPORT 2010 (Continued)

Mileage & Tolls	462.25
Seminars	417.00
Story Hour Program	244.94
Total	<u>173,107.81</u>

Surplus/(Deficit) 310.19

PATRIOTIC PURPOSES

Appropriation 510.00
Expended:

Printing	54.98
Wreaths	<u>215.00</u>
Total	269.98

Surplus/(Deficit) 240.02

CABLE ADVISORY COMMITTEE

Appropriation 20,272.00
Expended:

PEG Contracted Services	4,487.00
Telephone/Internet Access	2,865.40
Electricity/Heat	2,234.44
Office Supplies	10.00
Building Repairs/Maint.	85.00
Equipment Repairs/Maint.	66.00
Minor Tools & Supplies	79.97
Equipment Purchases	<u>7,922.00</u>
Total	17,749.81

Surplus/(Deficit) 2,522.19

CONSERVATION

Appropriation 3,161.00
Expended:

Property Management	803.55
Consultant Fees	425.00
Wildlife Sanctuary Lease	1.00
Publications	32.95
Dues & Subscriptions	355.00
Office Supplies	76.16
Minor Tools & Supplies	60.97
Equipment Purchase	79.00



DETAIL EXPENSE REPORT 2010

(Continued)

Mileage & Tolls	0.00	
Seminars & Annual Mtg.	200.00	
Youth Fishing Derby	530.00	
Total	<u>2,563.63</u>	
Surplus/(Deficit)		597.37

DEBT SERVICE

Appropriation		1.00
Expended:	0.00	
Surplus/(Deficit)		1.00

Note: Appropriation & Expenses include warrant articles

HIGHWAY BLOCK GRANT

Fund Balance 12/31/09	558,895.21	
2010 Revenues (includes bank interest)	186,879.97	
Project Payments	<u>526,843.32</u>	
Fund Balance 12/31/10	218,931.86	

PAYMENTS TO SCHOOL DISTRICT

2008-2009 School Appropriation Balance	3,799,750.39	
Payments to School District	<u>3,799,750.30</u>	
Balance 2008-2009	0.00	
2009-2010 School Appropriation	11,943,860.00	
Payments to School	<u>7,823,687.28</u>	
Balance 2009-2010	4,120,172.72	

COUNTY TAX

Hillsborough County Treasurer	842,650.00	
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COMPARATIVE STATEMENT

Year Ending December 31, 2010

Account	Appropriation	Expended	Surplus Deficit
Executive	17,400.00	17,415.34	(15.34)
Administration	109,314.99	108,632.43	682.56
Town Meeting	18,058.00	19,917.46	(1,859.46)
Town Clerk	91,903.00	89,970.66	1,932.34
Voter Registration	1,474.00	1,585.89	(111.89)
Accounting & Auditing	305,461.00	280,461.24	24,999.76
Tax Collector	93,540.00	92,545.87	994.13
Treasury	8,298.00	8,574.36	(276.36)
Budget Committee	1,850.00	2,668.75	(818.75)
Legal Expenses	60,000.00	50,101.00	9,899.00
Personnel Administration	286,082.61	293,167.58	(7,084.97)
Planning Board	67,254.00	59,566.55	7,687.45
Zoning Board	2,548.00	1,066.85	1,481.15
General Gov't. Buildings	75,500.00	61,204.50	14,295.50
Cemeteries	2,250.00	2,488.58	(238.58)
Insurance	59,353.00	55,792.00	3,561.00
Contingency	37,000.00	5,000.00	32,000.00
Police Department	1,200,218.28	1,272,699.13	(72,480.85)
Ambulance Service	35,000.00	34,839.24	160.76
Fire Department	523,195.00	499,313.94	23,881.06
Code Enforcement	78,810.00	77,998.07	811.93
Emergency Management	23,000.00	12,416.47	10,583.53
Highway Administration	18,214.00	11,455.39	6,758.61
Highways & Streets	437,609.00	329,998.10	107,610.90
Street Lighting	18,949.00	19,101.90	(152.90)
Sanitation Administration	76,999.00	90,812.27	(13,813.27)
Sanitation	467,984.00	379,395.73	88,588.27
Health Administration	1,865.00	1,652.05	212.95
Mosquito District	27,935.00	27,036.25	898.75
Animal Control	22,034.00	21,702.97	331.03
Health Agencies	6,784.00	6,784.00	0.00
Vendor Payment-Welfare	25,000.00	17,269.58	7,730.42
Parks & Recreation	82,439.00	75,754.33	6,684.67
Library	173,418.00	173,107.81	310.19
Patriotic Purposes	510.00	269.98	240.02
Cable Advisory Committee	20,272.00	17,749.81	2,522.19
Conservation	3,161.00	2,563.63	597.37
Interest TAN	1.00	0.00	1.00
Totals	4,480,683.88	4,222,079.71	258,604.17

Note: Appropriation & Expenses include warrant articles



TREASURER'S SUMMARY TOWN OF LITCHFIELD ACCOUNTS 2010

Municipal Advantage Account Balance

\$5,509,342.39

TD Bank Certificates of Deposit

Escrow Accounts

AMP Properties	\$5,525.15
Continental Paving Quarry	\$5,188.39
Continental Paving Inc.	\$2,085.18
Continental Paving Golf Course	\$3,841.23
Continental Paving Storage	\$3,885.75
Homes by Paradise	\$1,742.00
Carcon Company	\$881.48
Homes by Paradise Inc.-Tanager	\$3,582.67
110 Page Road LLC	\$497.77
VAB Properties	\$4,561.79
43 Cutler Road	\$43.91
Homes by Paradise-Moose Hollow	\$0.30
Cutler and Page LLC	\$0.72
Pinecreek Village LLC	\$5,377.16
R and D Development LLC	\$4,673.65
Maurice B. Morin-Windsor	\$2,769.01
Cutler and Page LLC	\$1,129.60
Stage Crossing LLC	\$2,718.95
Beverly McQuesten Boucher	\$3,722.21
Tim's Turf and Landscaping	\$1,390.40
Cutler and Page LLC IV	\$301.35
Sanborn Development	\$28,015.61
Heritage	\$6,027.23
Maurice B. Morin	\$28,331.34
K and M Developers LLC	\$7,377.38
Grace Free Presbyterian Church	\$1,900.08
Maxton Technology Inc.	\$1,073.37
Bernice Cahill	\$4,115.16

Closed Escrow Accounts

Sanborn Development
Mark Cooper
Robert Pace
Building Relationship

Sub Account

\$1,106,584.44

Baler	\$3,001.93
Cable Equipment	\$3,816.44
Civil Defense	\$464.57
Conservation Education	\$3,924.79
Conservation Land Fund	\$858,555.67
Environment Fund	\$1,100.32
Fire Pond	\$2,738.51
Fire Special Detail	(\$1,673.40)
Footbridge Fund	\$17,123.86
Highway Block Grant	\$32,072.48
Industrial Development	\$16,414.29
Off Site Improvements	\$11,849.98
Office Complex	\$59.00
Regional Pandemic Planning	\$2,644.97
Police Forfeiture	\$1,597.65
Recreation Commission Revolving	\$8,906.28
D.A.R.E.	\$9,280.56
Police Special Detail	\$34,904.70
SB Recreation Fund	\$19,330.93
Stimulus - Bike Path	\$76,624.87
275th Anniversary	\$3,846.04

Impact Fees

1,299,805.31

Campbell High School	\$362,936.57
Elementary Schools	\$598,902.69
Fire	\$13,480.00
Library	\$41,453.31
Municipal	\$4,072.51
Police	\$4,753.63
Recreation	\$253,497.02
Road	\$20,709.58



AARON CUTLER MEMORIAL LIBRARY TRUSTEES REPORT FOR 2010

RECEIPTS

Interest	\$ 5.83
Fines	2458.23
Copies/printer/fax fees	344.10
Replacement fees	461.58
Donations	66.72
Summer Reading Donations	855.00
Miscellaneous	485.00
Balance on hand January 1, 2010	<u>7602.34</u>
Total Receipts	\$12,278.80

EXPENDITURES

Administrative Supplies	\$ 0
Building Maintenance	1500.00
Gifts/Memorial/Bestowments	425.00
Replacement Materials	495.83
Summer Reading	1100.00
Other Programming	100.00
Miscellaneous	<u>1656.12</u>
Total Expenditures	\$5,276.95
Balance on hand December 31, 2010	\$7,001.85

Respectfully submitted,
Gail Musco
Treasurer,
Aaron Cutler Memorial Library Trustees





LITCHFIELD CEMETERY TRUSTEES

Citizens Bank Account

1. Beginning balance September 3, 2010:	
A. Transfer from Pinecrest Cemetery Association	\$6,828.08
B. Lot sale Hillcrest Cemetery	400.00
	\$7,228.08
2. Expenses September 2010	
Check #1001 Neil Smith, Surveyor	400.00
Debit for Harland check printing	3.50
	\$6,824.58
3. Expense for October 2010	
Check #1002 US Postal Service Stamps	8.80
Check #1003 Kai Nalenz, gravestone repair Hillcrest Cemetery	200.00
	\$6,615.78
4. Expenses November 2010	
Check #1004 Pennichuck Water, Pinecrest Cemetery	22.10
	\$6,593.68
5. Expenses December 2010	
No checks written	0.00
Ending Balance December 31, 2010	\$6,593.68

Submitted by,

Dr. Steven P. Calawa, Treasurer





HILLCREST CEMETERY ASSOCIATION NOTES TO FINANCIAL STATEMENT

December 31, 2010

The Hillcrest Cemetery Association is a non-profit association. Established on November 11, 1908 to improve and maintain the Hillcrest Cemetery located in Litchfield, New Hampshire.

CASH / SAVINGS

Checking Account – St. Mary's Bank	\$1,617.18
Membership Capital Stock – St Mary's Bank	\$ 5.00
Savings Account – St. Mary's Bank*	<u>\$16,792.65</u>

\$ 18,414.83

CONTRIBUTIONS

Sale of Cemetery Lots	<u>\$ 400.00</u>
-----------------------	------------------

\$ 400.00

INTEREST INCOME

St. Mary's Bank (NOW)	\$ 4.36
St. Mary's Bank (Certificate of Deposit)	98.34
St. Mary's Bank (Savings)	<u>11.23</u>

\$ 113.93

*Certificate of Deposit Matured \$11,275.97
Transferred into Savings Account November 16, 2010

Treasurer's Report
Litchfield Hillcrest Cemetery Association

Warren W. Adams, Treasurer





HILLCREST CEMETERY ASSOCIATION

NOTES TO FINANCIAL STATEMENT

(Continued)

INCOME STATEMENT

(As of December 31, 2010)

INCOME

Sale of Cemetery Lots	400.00
Interest Income	<u>113.93</u>

\$ 513.93

OPERATING EXPENSES

Maintenance	\$ 139.96
Filing Fees	<u>75.00</u>

\$ 214.96

NET INCOME (LOSS)

298.97

BALANCE SHEET

December 31, 2010

ASSETS

Cash	\$1,623.18
Savings Account	<u>16,792.65</u>

TOTAL ASSETS

\$18,414.83

LIABILITIES

Current Liabilities	-0-
Equity	
Principal Fund	\$18,115.86
Net Income (Loss)	<u>298.97</u>

TOTAL LIABILITIES & EQUITY

\$18,414.83



TRUSTEES OF THE TRUST FUND 2010 ANNUAL REPORT

Date of Creation	Name of Trust Fund	Purpose of Trust Fund	How Invested	Balance Beginning Year	Total Deposits	Total Withdrawals	Ending Balance	Yr. Int. Paid
1985	Capital Reserve	Town Celebration	Bank	\$2,330.56	\$0.00	\$0.00	\$2,331.76	\$1.20
1999	Capital Reserve	Farmland Development	Bank	\$119,194.27	\$0.00	\$0.00	\$119,254.26	\$59.99
2000	Capital Reserve	Fire Facilities	Bank	\$15,967.79	\$0.00	\$0.00	\$15,975.86	\$8.07
	Pinecrest Cemetery	Lot Maintenance	Common Trust	\$23,249.82	.00	192.00	\$23,069.49	\$11.67
	Hillcrest Cemetery	Lot Maintenance	Common Trust	\$7,114.20	\$0.00	\$0.00	\$7,117.76	\$3.56
2005	School District Trusts	School Capital Improvement	Money Mkt.	\$52,190.59	\$0.00	\$0.00	\$52,216.90	\$26.31
2005	School District Trust	Capital Education Fund	Money Mkt.	\$52,190.59	\$50,000.00	\$0.00	\$102,241.32	\$50.73
	Library Trust Fund	Aaron Cutler Mem. Library	Bank	\$906.50-	\$22,019.13	\$0.00	\$21,119.23	\$6.60
	Library Trust Fund	Aaron Cutler Library-Aaron	Bank	\$56,331.29	\$0.00	\$17,064.40	\$39,289.57	\$22.68



TOWN WARRANT TOWN OF LITCHFIELD, NEW HAMPSHIRE

To the inhabitants of the Town of Litchfield in the County of Hillsborough in said State, qualified to vote in Town Affairs:

You are hereby notified that the first session of the annual meeting of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on February 12, 2011 at 12:00 noon for explanation, discussion and debate of each warrant article. Warrant articles may be amended at this session per RSA §40:13, IV except for Warrant Article 4, the wording of which is prescribed by law and cannot be amended per RSA §40:13, IV (a).

You are hereby notified that the second session of the annual meeting of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Tuesday, March 8, 2011 at 7:00 in the forenoon for the choice of Town Officers elected by official ballot to vote on questions required by laws to be inserted on the official ballot and to vote on all warrant articles from the first session on official ballot per RSA §40:13, VIII. The polls for the election of town officers and other action required to be inserted on said ballot will be open on said date at 7:00 o'clock in the forenoon and will not close earlier than 7:00 o'clock in the evening.

ELECTION OF OFFICERS

Article 1: To elect by ballot the following Town officers: two Selectmen-three year term; two Budget Committee members- three year term; two Library Trustees – three year term; one Road Agent – two year term; one Town Clerk/Tax Collector-three year term; one Trustee of Trust Funds- three year term; one Cemetery Trustee-three year term; one Treasurer-three year term.

OPERATING BUDGET

Article 2: To see if the town will raise and appropriate as an operating budget, not including appropriation by special warrant articles and other appropriations voted separately, the amounts set forth in the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$4,492,776. Should this article be defeated, the default budget shall be \$4,463,558, which is the same as last year, with certain adjustments required by previous action of the Town of Litchfield or by Law; or the governing body may hold one special meeting, in accordance with RSA §40:13, X and XVI, to take up the issue of a revised operating budget only.

Recommended by the Board of Selectmen (Vote: 5-0-0)

Recommended by the Budget Committee (Vote: 6-0-0)

POLICE UNION CONTRACT

Article 3: Shall the town vote to approve the cost items for wage and related costs that have been included in the collective bargaining agreement reached between the Town of Litchfield and Council 93 of the American Federation of State, County and Municipal Employees which provides for the following increases in wages and benefits:

2011: \$734

2012: \$13,716 (estimated)

2013: \$14,127 (estimated)

And further, to raise and appropriate the sum of \$734 for 2011 fiscal year, such sum representing the additional cost attributable to the increase in benefits over those of the appropriation at current staffing levels. This collective bargaining agreement covers the full and part time patrol officers and full and part time dispatchers.

This contract contains no raise for 2011, cost of living adjustments based on the Boston CPI-W for 2012 and 2013, with such adjustments to be not less than 1% and not to exceed 2% in 2012 and not be less than 2% and not to exceed 3% in 2013. Additionally, the contract includes opportunities for a buy-out for



TOWN WARRANT TOWN OF LITCHFIELD, NEW HAMPSHIRE (Continued)

not taking Town health insurances and introduces an Earned Time program in 2013 replacing the current vacation, sick and personal time program which is expected to reduce overtime costs.

Recommended by the Board of Selectmen (Vote: 5-0-0)

Recommended by the Budget Committee (Vote: 6-1-0)

HIGHWAY BLOCK GRANT

Article 4: Shall the Town include as part of the regular operating budget annually, road and drainage improvements that will be funded with the annual NHDOT Highway Block Grant money? This is an advisory warrant article.

Recommended by the Board of Selectmen (Vote: 5-0-0)

Recommended by the Budget Committee (Vote: 7-0-0)

HYDRANT BILLING

Article 5: To see if the Town will to enter into a contract with Pennichuck East Utilities to assume responsibility for Fire Protection charges for water system users. And further, to see if the Town will vote to raise and appropriate the sum of \$69,989 for that purpose. This amount represents the cost for 3 months of service in 2011 and is apportioned from an estimated annual cost of \$279,952. If this article is approved, future appropriations for Fire Protection Charges will be included in the operating budget of the Town.

Recommended by the Board of Selectmen (Vote: 4-0-0)

Recommended by the Budget Committee (Vote: 6-1-0)

LAND USE CHANGE TAX

Article 6: To see if the Town will vote to deposit 50 percent of the revenues collected pursuant to RSA 79-A (the Land Use Change Tax assessed when property is removed from Current Use) in the Conservation and Land Acquisition Fund previously established in accordance with RSA 36-A:5(III) and to deposit 50 percent of the revenues in the Town's General Fund. The purpose of the Conservation and Land Acquisition Fund is to purchase land, conservation or trail easements or the purchase of development rights. This article modifies an approval in 2003 to deposit 100 percent of the revenues collected in the Fund. The 2009 audit reported a balance in this fund of \$882,317.

Recommended by the Board of Selectmen (Vote: 5-0-0)

Recommended by the Budget Committee (Vote: 6-1-0)

VACATION LIABILITY TRUST FUND

Article 7: To see if the Town will vote to create an expendable trust fund under the provisions of RSA 31:19-a to be known as the Vacation Accrual Expendable Trust Fund and to authorize the Board of Selectmen to serve as agents to expend from the funds, and further to raise and appropriate the sum of \$58,862 for transfer into this fund from the unexpended fund balance as of December 31, 2010. This amount is shown on the Town's balance sheet as a liability. The intent of this article is to annually account for the cost of earned but unused vacation time so that the expenses associated with employee resignations and retirements do not impact the current year budget. This would have a net cost to 2011 general taxation of \$0.

Recommended by the Board of Selectmen (Vote: 5-0-0)

Recommended by the Budget Committee (Vote: 5-2-0)



TOWN WARRANT
TOWN OF LITCHFIELD, NEW HAMPSHIRE
(Continued)

APPOINTED FIRE CHIEF

Article 8: BY PETITION: To see if the town will vote to adopt the provisions of RSA 154:1, Section I(a) that allows the governing body to appoint the fire chief with firefighters appointed by the fire chief. (This would allow for greater accountability by allowing the establishment of minimum requirements for the position as well as continuity in town government by bringing this position in line with others.)

APPOINTED TREASURER

Article 9: BY PETITION: To see if the Town will vote to authorize the appointment of a Town Treasurer by the Board of Selectmen rather than by election. This option is authorized under RSA 41:26-e. Per RSA 669:17-d, when a town votes to discontinue the elected treasurer office, the person holding the elected office of treasurer at the time of the vote to discontinue it shall hold office until the annual town election first following the discontinuance of the office, at which time the elected office of treasurer shall terminate irrespective of the length of that officer's term.

Given under our hands and seal this 24th day of January, in the year of our Lord Two Thousand Eleven.

TOWN OF LITCHFIELD - Board of Selectmen

Frank Byron, Chairman

Steve Perry, Vice-Chair

M. Patricia Jewett

George A. Lambert

John Brunelle



MS-7

BUDGET OF THE TOWN WITH A MUNICIPAL BUDGET COMMITTEE

OF: LitchfieldBUDGET FORM FOR TOWNS WHICH HAVE ADOPTED
THE PROVISIONS OF RSA 32:14 THROUGH 32:24Appropriations and Estimates of Revenue for the Ensuing Year January 1, 2011 to December 31, 2011

or Fiscal Year From _____ to _____

IMPORTANT:

Please read RSA 32:5 applicable to all municipalities.

1. Use this form to list the operating budget and all special and individual warrant articles in the appropriate recommended and not recommended area. All proposed appropriations must be on this form.
2. Hold at least one public hearing on this budget.
3. When completed, a copy of the budget must be posted with the warrant. Another copy must be placed on file with the town clerk, and a copy sent to the Department of Revenue Administration at the address below within 20 days after the meeting.

This form was posted with the warrant on (Date): _____

BUDGET COMMITTEE*Please sign in ink.*

Under penalties of perjury, I declare that I have examined the information contained in this form and to the best of my belief it is true, correct and complete.

THIS BUDGET SHALL BE POSTED WITH THE TOWN WARRANT

FOR DRA USE ONLY

NH DEPARTMENT OF REVENUE ADMINISTRATION
MUNICIPAL SERVICES DIVISION
P.O. BOX 487, CONCORD, NH 03302-0487
(603)271-3397MS-7
Rev. 10/10

1	2	3	4	5	6	7	8	9
ACCT.#	PURPOSE OF APPROPRIATIONS (RSA 32:3,V)	OP Bud. Warr. Art.#	Appropriations Prior Year As Approved by DRA	Actual Expenditures Prior Year	SELECTMEN'S APPROPRIATIONS Ensuing Fiscal Year (Recommended)	SELECTMEN'S APPROPRIATIONS Ensuing Fiscal Year (Not Recommended)	BUDGET COMMITTEE'S APPROPRIATIONS Ensuing Fiscal Year (Recommended)	BUDGET COMMITTEE'S APPROPRIATIONS Ensuing Fiscal Year (Not Recommended)
GENERAL GOVERNMENT								
4130-4139	Executive	2	108851	145965	122769		122769	
4140-4149	Election, Reg. & Vital Statistics	2	93377	91557	92604		92604	
4150-4151	Financial Administration	2	409149	383058	352686	332	353018	
4152	Revaluation of Property							
4153	Legal Expense	2	60000	50075	59200		59200	
4155-4159	Personnel Administration	2	275752	293168	333821		333821	
4191-4193	Planning & Zoning	2	69802	60521	70054		69237	817
4194	General Government Buildings	2	76300	58737	93744		93744	
4195	Cemeteries	2	1650	2489	9335		8195	1140
4196	Insurance	2	59353	55792	72823		72823	
4197	Advertising & Regional Assoc.							
4199	Other General Government	2	35000	5000	33000		33000	
PUBLIC SAFETY								
4210-4214	Police	2	1153223	1269444	1414320		1388769	25551
4215-4219	Ambulance	2	35000	27153	38000		38000	
4220-4229	Fire	2	523195	480199	524223		523723	-500
4240-4249	Building Inspection	2	78810	77928	74190		74190	
4290-4298	Emergency Management	2	23000	12416	13000		13000	
4299	Other (Including Communications)							
AIRPORT/AVIATION CENTER								
4301-4309	Airport Operations							
HIGHWAYS & STREETS								
4311	Administration	2	18214	11455	19179		19179	
4312	Highways & Streets	2	440209	326385	410384		410384	
4313	Bridges							

1	2	3	4	5	6	7	8	9
ACCT.#	PURPOSE OF APPROPRIATIONS (RSA 32:3,V)	OP Bud. Warr. Art.#	Appropriations Prior Year As Approved by DRA	Actual Expenditures Prior Year	SELECTMEN'S APPROPRIATIONS Ensuing Fiscal Year (Recommended)	(Not Recommended)	BUDGET COMM. APPROPRIATIONS Ensuing Fiscal Year (Recommended)	(Not Recommended)
HIGHWAYS & STREETS (cont.)								
4316	Street Lighting	2	18949	18918	14700		14700	
4319	Other							
SANITATION								
4321	Administration	2	76799	90812	95580		95205	375
4323	Solid Waste Collection							
4324	Solid Waste Disposal	2	467984	364191	316460		316460	
4325	Solid Waste Clean-up							
4326-4329	Sewage Coll. & Disposal & Other							
WATER DISTRIBUTION & TREATMENT								
4331	Administration							
4332	Water Services							
4335-4339	Water Treatment, Conserv. & Other							
ELECTRIC								
4351-4352	Admin. and Generation							
4353	Purchase Costs							
4354	Electric Equipment Maintenance							
4359	Other Electric Costs							
HEALTH/WELFARE								
4411	Administration	2	29800	28688	29321		29096	225
4414	Pest Control	2	22034	22142	19010		19010	
4415-4419	Health Agencies & Hosp. & Other	2	6784	6784	6445		6445	
4441-4442	Administration & Direct Assist.							
4444	Intergovernmental Welfare Payments							
4445-4449	Vendor Payments & Other	2	25000	16520	20000		20000	

MS-7

Budget - Town of Litchfield

FY 2011

1	2	3	4	5	6	7	8	9
ACCT.#	PURPOSE OF APPROPRIATIONS (RSA 32:3.V)	OP Bud. Warr. Art.#	Appropriations Prior Year As Approved by DRA	Actual Expenditures Prior Year	SELECTMEN'S APPROPRIATIONS Ensuing Fiscal Year (Recommended)	BUDGET COMMITTEE'S APPROPRIATIONS Ensuing Fiscal Year (Not Recommended)	BUDGET COMMITTEE'S APPROPRIATIONS Ensuing Fiscal Year (Recommended)	BUDGET COMMITTEE'S APPROPRIATIONS Ensuing Fiscal Year (Not Recommended)
CULTURE & RECREATION								
4520-4529	Parks & Recreation	2	82439	75428	78566		78566	
4550-4559	Library	2	172618	173009	183970		182496	1474
4583	Patriotic Purposes	2	510	270	700		700	
4589	Other Culture & Recreation	2	20272	17750	22275		22275	
CONSERVATION								
4611-4612	Admin & Purch. of Nat. Resources	2	3161	2564	2166		2166	
4619	Other Conservation							
4631-4632	Redevelopment and Housing							
4651-4659	Economic Development							
DEBT SERVICE								
4711	Princ.- Long Term Bonds & Notes							
4721	Interest-Long Term Bonds & Notes							
4723	Int. on Tax Anticipation Notes	2	1		1		1	
4790-4799	Other Debt Service							
CAPITAL OUTLAY								
4901	Land							
4902	Machinery, Vehicles & Equipment							
4903	Buildings							
4909	Improvements Other Than Bldgs.							
OPERATING TRANSFERS OUT								
4912	To Special Revenue Fund							
4913	To Capital Projects Fund							
4914	To Enterprise Fund							
	- Sewer							
	- Water							

MS-7
Rev. 10/10

1	2	3	4	5	6	7	8	9
ACCT #	PURPOSE OF APPROPRIATIONS (RSA 32:3V)	OP Bud. Warr. Art.#	Appropriations Prior Year As Approved by DRA	Actual Expenditures Prior Year	SELECTMEN'S APPROPRIATIONS Ensuing Fiscal Year (Recommended)	BUDGET COMMITTEE'S APPROPRIATIONS Ensuing Fiscal Year (Not Recommended)	BUDGET COMMITTEE'S APPROPRIATIONS Ensuing Fiscal Year (Recommended)	BUDGET COMMITTEE'S APPROPRIATIONS Ensuing Fiscal Year (Not Recommended)
	OPERATING TRANSFERS OUT (cont.)							
	- Electric							
	- Airport							
4918	To Nonexpendable Trust Funds							
4919	To Fiduciary Funds							
OPERATING BUDGET TOTAL			4387236	4178417	4522526	332	4492716	

1	2	3	4	5	6
ACCT.#	SOURCE OF REVENUE	Warr. Art.#	Actual Revenues Prior Year	Selectmen's Estimated Revenues	Budget Committee's Est. Revenues
TAXES					
3120	Land Use Change Taxes - General Fund	2			
3180	Resident Taxes				
3185	Timber Taxes	2	493	500	500
3186	Payment in Lieu of Taxes	2	30597	28,489	28,489
3189	Other Taxes				
3190	Interest & Penalties on Delinquent Taxes	2	83315	59,350	59,350
	Inventory Penalties				
3187	Excavation Tax (\$.02 cents per cu yd)	2	4467	4,000	4,000
LICENSES, PERMITS & FEES					
3210	Business Licenses & Permits	2	115596	112,900	112,900
3220	Motor Vehicle Permit Fees	2	1227132	1,178,500	1,178,500
3230	Building Permits	2	28060	21,490	21,490
3290	Other Licenses, Permits & Fees	2	34454	33,590	33,590
3311-3319	FROM FEDERAL GOVERNMENT	2	9922	0	0
FROM STATE					
3351	Shared Revenues				
3352	Meals & Rooms Tax Distribution	2	378541	378,616	378,616
3353	Highway Block Grant	2	186859	186,917	186,917
3354	Water Pollution Grant				
3355	Housing & Community Development				
3356	State & Federal Forest Land Reimbursement	2	837	406	406
3357	Flood Control Reimbursement				
3359	Other (Including Railroad Tax)		117181		
3379	FROM OTHER GOVERNMENTS				
CHARGES FOR SERVICES					
3401-3406	Income from Departments	2	79895	73,397	73,397
3409	Other Charges				
MISCELLANEOUS REVENUES					
3501	Sale of Municipal Property	2	3700	0	0
3502	Interest on Investments	2	9233	15,650	15,650
3503-3509	Other	2	99672	1,041	1,041
INTERFUND OPERATING TRANSFERS IN					
3912	From Special Revenue Funds				
3913	From Capital Projects Funds				
			2,409,656	2,094,846	2,094,846

1	2	3	4	5	6
ACCT.#	SOURCE OF REVENUE	Warr. Art.#	Actual Revenues Prior Year	Selectmen's Estimated Revenues	Budget Committee's Est. Revenues
INTERFUND OPERATING TRANSFERS IN (cont.)					
3914	From Enterprise Funds				
	Sewer - (Offset)				
	Water - (Offset)				
	Electric - (Offset)				
	Airport - (Offset)				
3915	From Capital Reserve Funds				
3916	From Trust & Fiduciary Funds				
3917	Transfers from Conservation Funds				
OTHER FINANCING SOURCES					
3934	Proc. from Long Term Bonds & Notes				
	Amounts Voted From Fund Balance	7		58,862	58,862
	Estimated Fund Balance to Reduce Taxes				
TOTAL ESTIMATED REVENUE & CREDITS			2,409,956	2,153,708	2,153,708

****BUDGET SUMMARY****

	PRIOR YEAR ADOPTED BUDGET	SELECTMEN'S RECOMMENDED BUDGET	BUDGET COMMITTEE'S RECOMMENDED BUDGET
Operating Budget Appropriations Recommended (from pg. 5)	4,387,236	4,522,526	4,492,776
Special Warrant Articles Recommended (from pg. 6)	50,000	58,862	58,862
Individual Warrant Articles Recommended (from pg. 6)	117,283	209,984	209,984
TOTAL Appropriations Recommended	4,554,519	4,791,372	4,761,622
Less: Amount of Estimated Revenues & Credits (from above)	2,409,956	2,153,708	2,153,708
Estimated Amount of Taxes to be Raised	2,144,564	2,637,664	2,607,914

Maximum Allowable Increase to Budget Committee's Recommended Budget per RSA 32:18:
(See Supplemental Schedule With 10% Calculation)

449278



DELIBERATIVE SESSION

Town of Litchfield

February 12, 2011

Meeting called to order at 12:06 p.m. at Campbell High School in auditorium by Moderator John Regan.

Present were: Selectman Frank Byron - Chairman; Steve Perry-Vice Chairman, M. Patricia Jewett, John Brunelle and George Lambert; Budget Committee members John Harte - Chairman; William Spencer, Mike Falzone Ray Peeples, John York and Elizabeth Miller. Town Counsel David Lefevre, Jason Hoch, Town Administrator and approximately 60 Litchfield voters and guests.

Ballot Clerks on duty were Joan McKibben, Bertha Mieczkowski and Patricia Regan.

Following a series of announcements the Moderator led the assembly in the Pledge of Allegiance to the American Flag. He then announced that there would be an "open mike" period partway through the session to allow voters to bring up issues of interest unrelated to official business of the meeting.

First order of business was a voice vote that would authorize non-voters to speak. Majority rules yes

Moderator John Regan asked for volunteers to carry ballot boxes in the event a paper ballot vote is required Jason Allen and Jack Pinciario were volunteers.

Article 1. To elect by ballot the following Town officers: Two Selectmen -Three Year Term; Two Budget Committee members - Three Year Term; One Town Clerk/Tax Collector-Three Year Term; One - Treasurer-Three Year Term; One Road Agent – Two Year Term; Two Library Trustees – Three Year Term; One Trustee of Trust Funds- Three Year Term; One Cemetery Trustee-Three Year Term.

There was no discussion so article will appear as written.

Article 2. To see if the town will raise and appropriate as an operating budget, not including appropriation by special warrant articles and other appropriations voted separately, the amounts set forth in the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$4,492,776. Should this article be defeated, the default budget shall be \$4,463,558, which is the same as last year, with certain adjustments required by previous action of the Town of Litchfield or by Law; or the governing body may hold one special meeting, in accordance with RSA §40:13, X and XVI, to take up the issue of a revised operating budget only.

Selectmen Frank Byron spoke to this article stating that public safety has increased and our overall budget has still decreased by approx. \$52,000 from 2010.

Jason Allen of Recreation Commission made a motion to add \$2500.00 to the Recreation budget for items like CPR classes and First Aid for coaches as well as Bingo nights with the monies collected going back into the account. Seconded by Carol Bessette. Amendment passes by voice vote.

Kathleen Follis made a motion to reduce budget by \$1,028 the bottom line for Town Clerk/Tax Collector conferences. Kathleen said that she checked the Town Clerk and Tax Collector websites and the amount for the conferences was \$768 for 2011. Theresa Briand explained that for the most part that is correct. Several years ago the Town Clerk and Tax Collectors Associations tried to combine the conferences into one but it did not work. This past December, we voted to change the schedule a bit and try it again so instead of two conferences in two separate weeks we would have one conference to save money for the towns.

Susan Seabrook asked if this was going to be an ongoing thing or if it is just temporary. Theresa responded that this is a two year trial.

Amendment passes by voice vote.



DELIBERATIVE SESSION (Continued)

Jason Guerrette stated he did not want to cut the budget at this time but had questions regarding the drug problems in the schools and what the Resource Officers were doing with the time that they are there.

Chief Joseph O'Brien answered the questions explained that many of those cases can't be discussed because they are minors.

New bottom line for Article 2 \$4,494,248.

No other discussion and the article will appear as amended.

Article 2 As Amended To see if the town will raise and appropriate as an operating budget, not including appropriation by special warrant articles and other appropriations voted separately, the amounts set forth in the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$4,494,248. Should this article be defeated, the default budget shall be \$4,463,558, which is the same as last year, with certain adjustments required by previous action of the Town of Litchfield or by Law; or the governing body may hold one special meeting, in accordance with RSA §40:13, X and XVI, to take up the issue of a revised operating budget only.

Article 3 Shall the town vote to approve the cost items for wage and related costs that have been included in the collective bargaining agreement reached between the Town of Litchfield and Council 93 of the American Federation of State, County and Municipal Employees which provides for the following increases in wages and benefits:

2011: \$734

2012: \$13,716 (estimated)

2013: \$14,127 (estimated)

And further, to raise and appropriate the sum of \$734 for 2011 fiscal year, such sum representing the additional cost attributable to the increase in benefits over those of the appropriation at current staffing levels. This collective bargaining agreement covers the full and part time patrol officers and full and part time dispatchers.

This contract contains no raise for 2011, cost of living adjustments based on the Boston CPI-W for 2012 and 2013, with such adjustments to be not less than 1% and not to exceed 2% in 2012 and not be less than 2% and not to exceed 3% in 2013. Additionally, the contract includes opportunities for a buy-out for not taking Town health insurances and introduces an Earned Time program in 2013 replacing the current vacation, sick and personal time program which is expected to reduce overtime costs.

George Lambert spoke to the article stating the high points - Salaries in 2011 will have no change, 2012 – Range of 1 – 2% based upon Boston CPI-W; 2013 – Range of 2 -3% based upon Boston CPI-W. This new contract will include a "buy out" for those who do not take health insurance.

Susan Seabrook asked what would be the "buy out" amount. George stated that it would be 50%. Susan Seabrook explained that she was looking for a dollar amount. George stated it was approximately \$3,500 for single coverage.

Pat Spencer, Jason Guerrette and Nick Delava all expressed their concerns for this contract in these bad times.

No further discussion and the article will appear as written.

Article 4. Shall the Town include as part of the regular operating budget annually, road and drainage improvements that will be funded with the annual NHDOT Highway Block Grant money? This is an advisory warrant article.

Jason Hoch, Town Administrator spoke to this article stating that it is basically an auditing change.

No further discussion and the article will appear as written.



DELIBERATIVE SESSION (Continued)

Article 5. To see if the Town will enter into a contract with Pennichuck East Utilities to assume responsibility for Fire Protection charges for water system users. And further, to see if the Town will vote to raise and appropriate the sum of \$69,989 for that purpose. This amount represents the cost for 3 months of service in 2011 and is apportioned from an estimated annual cost of \$279,952. If this article is approved, future appropriations for Fire Protection Charges will be included in the operating budget of the Town.

George Lambert spoke to the article stated that this will take the cost off of the water bill and shift it to all the tax bills.

The new water bills will be based on the assessed values of the property.

Pat Spencer asked who on the budget committee dissented on this bill and why. Bill Spencer was the dissenting vote and he explained it had to do with the way that it was written at the time and that he didn't believe that this should be put on the taxpayers.

Kathleen Follis asked when there would be more hydrates installed throughout the town and if the town would be responsible if this bill passed.

George Lambert stated that in all the paperwork he has seen the estimated time would be never. George stated no the town would not be responsible.

No further discussion and the article will appear as written.

Article 6. To see if the Town will vote to deposit 50 percent of the revenues collected pursuant to RSA 79-A (the Land Use Change Tax assessed when property is removed from Current Use) in the Conservation and Land Acquisition Fund previously established in accordance with RSA 36-A:5(III) and to deposit 50 percent of the revenues in the Town's General Fund. The purpose of the Conservation and Land Acquisition Fund is to purchase land, conservation or trail easements or the purchase of development rights. This article modifies an approval in 2003 to deposit 100 percent of the revenues collected in the Fund. The 2009 audit reported a balance in this fund of \$882,317.

Frank Byron spoke to the article stating that this article was brought forward by the Board of Selectmen to allow the citizens to reconsider what was put forth in 2003. The current use tax is considered revenue for the Town of Litchfield. Currently all the funds go to the Conservation Fund.

Richard Husband of the Conservation Committee spoke to this article in opposition and stated that this article diverts the money from the conservation program. He stated that Conservation is important to us and if we take these funds and use them for other programs those other programs are going to get use to using these funds and the Conservation Commission will never get these funds back. Richard Husband stated that on a \$200,000 home you are only kicking in about \$20 a year.

Richard Husband made a motion to change the amounts from 50/50 to 80/20. A voice vote was taken the moderator then called for a standing vote and the article passed 27 to 25.

Ray Peebles made a motion to change article 6 from 80/20 to 99/1. On a standing vote the article was defeated 37 to 21.

A motion was made and passed by voice vote to table this article until Mr. Harris re-wrote the article.

Steve Harris then made a motion to keep the 80/20 but to change the wording. This article passed by voice vote.

There was no further discussion on this article so it will appear on ballot as amended.

Article 7. To see if the Town will vote to create an expendable trust fund under the provisions of RSA 31:19-a to be known as the Vacation Accrual Expendable Trust Fund and to authorize the Board of Selectmen to serve as agents to



DELIBERATIVE SESSION (Continued)

expend from the funds, and further to raise and appropriate the sum of \$58,862 for transfer into this fund from the unexpended fund balance as of December 31, 2010. This amount is shown on the Town's balance sheet as a liability. The intent of this article is to annually account for the cost of earned but unused vacation time so that the expenses associated with employee resignations and retirements do not impact the current year budget. This would have a net cost to 2011 general taxation of \$0.

Jason Hoch- Town Administrator spoke to this article. This is another accounting article change. This fund would take money already in the general fund and set it aside in a special account for covering the expenses of personnel leaving the employ of the town.

Pat Spencer asked if this was like a reserved fund. Jason said yes it is like a reserve fund for all town employees. Pat asked why it wasn't just called a reserve fund. Jason said this is just a name the selectmen gave it.

Susan Seabrook asked where the fund comes from. Jason said in future years, money will come from trust fund and go into general fund to pay these employees. This article does not change the vacation policy; it just corrects an accounting issue.

Article 6 As Amended To see if the Town will vote to modify the 2003 approval to deposit 100 percent of the revenue collected pursuant to RSA 79-A (the Land Use Change Tax assessed when property is removed from Current Use) in the Conservation and Land Acquisition Fund previously established in accordance with RSA 36-A:5(III). The purpose of the Conservation and Land Acquisition Fund is to purchase land, conservation or trail easements or the purchase of development rights. The town will reduce the 100% amount going to Conservation and Land Acquisition to 80%. The remaining 20% will be deposited in the General Fund.

Article 8. BY PETITION: To see if the town will vote to adopt the provisions of RSA 154:1, Section I(a) that allows the governing body to appoint the fire chief with firefighters appointed by the fire chief. (This would allow for greater accountability by allowing the establishment of minimum requirements for the position as well as continuity in town government by bringing this position in line with others.)

Brent Lemire spoke to this article stating that many residents feel that the town's current means of choosing a Fire Chief may not be in the town's best interest. Brent stated that we have been very lucky in the past with the chiefs that have run and they have had fire backgrounds. Last year, we changed our form of government by hiring a town administrator to manage the affairs of the town. This is the same process that needs to occur when hiring a public safety official. The change would not take effect until the current chief is expired. The person interested in the position would simply apply to the Board of Selectmen rather than placing his/her name on ballot with the Town Clerk's office. Brent stated that the Board of Directors of a corporation doesn't hire a CEO to manage just part of the company; they hire them to manage all of it. This will also help our Board of Selectmen as well as our town administrator to effectively manage all of our town agencies insuring operational and fiscal accountabilities.

Frank Byron then spoke stating what the impact of this article would have on the town. The town voted to establish a volunteer Fire Department in the 1940's. State law RSA 154:1 establishes various organization types; Elected Chief and Appointed Chief by the BOS. If approved the article would cause the Chief to be appointed by the BOS. The current Chief would serve until March 2012 when the BOS would assume appointment of the Chief. The Chief would continue to appoint his officers; the Chief would also continue to hire/recruit Fire Fighters. Under the RSA the Chief would continue to have control over the equipment, personnel and all fire fighting methodology.

Jason Guerrette – I understand that the BOS has not taken an official position on this article but I am interested in your individual position on it because obviously you would all be involved in the appointment and so I would like to know personally if you are in favor of it or not.

Frank stated that again this is a petition article and the board is not taking a position on this article.



DELIBERATIVE SESSION (Continued)

George Lambert stated that he would like to respond. George stated that he has always believed that people like the Road Agent and Fire Chief should be appointed so that we can go outside of our area to get the best people for the job.

No further discussion the article will appear on ballot as written

The Moderator then asked if Article 6 was complete. Steve Harris read the new wording for the article and a motion was taken and passed as stated above.

Article 9. BY PETITION: To See if the Town will vote to authorize the appointment of a Town Treasurer by the Board of Selectmen rather than by election. This option is authorized under RSA 41:26-e. Per RSA 669:17-d, when a town votes to discontinue the elected treasurer office, the person holding the elected office of treasurer at the time of the vote to discontinue it shall hold office until the annual town election first following the discontinuance of the office, at which time the elected office of treasurer shall terminate irrespective of the length of that officer's term.

No petitioners were present so Frank Byron spoke to the article. Frank stated that if this article passes, the current Treasurer will continue in office until March 2012. BOS would then assume duties of recruiting and appointment of the Treasurer. This would give the town the ability to perform a criminal and financial background check.

George Lambert then stated that this article as the Fire Chief article is good for the town so that the town may go outside to hire and also perform criminal and financial background checks.

Susan Seabrook then stated that possibly if we can't do background checks that maybe when Terri Briand the Town Clerk goes to conference that maybe something she can look into having the association change.

Theresa Briand stated that there are several towns that have gone to appointing the Treasurer because of situation just like Litchfield experienced last year with the Treasurer.

No further discussion and the article will appear on the ballot as written.

Frank Byron then ask the Moderator if he could poll the residents as to whether or not they would like the combined deliberative session next year with the school board to begin in the morning or afternoon. After polling the residents, they were in favor of an AM session.

The Moderator then read a few more announcements regarding election on March 8th and a Candidates night which he believed was going to be held in the Campbell High School auditorium but wasn't sure of all the details. With no further questions or business to discuss at 2:44 p.m. John Regan moved to adjourn. Seconded by George Lambert. The motion carried by voice vote.

A true record of business conducted at the Deliberative Session, attest:

Theresa L. Briand
Town Clerk



STORM WATER MANAGEMENT PROGRAM

WHAT CAN YOU DO?

In order to protect and preserve our ecological resources, be sure to take the following preventive measures for:



Lawn/Yard Care

Excess fertilizers and pesticides applied to lawns and gardens wash off and pollute streams. Yard clippings and leaves can wash into storm drains and contribute nutrients and organic matter to streams.

- ✓ Don't over water your lawn, gardens, or other outdoor areas. Consider using a soaker hose instead of a sprinkler. Berm lawn and yard to prevent water run-off and encourage water absorption (infiltration).
- ✓ Preserve and plant trees and shrubs to help keep soil in place.
- ✓ Use pesticides and fertilizers sparingly. If necessary, only use recommended amounts.
- ✓ Use organic mulch or safer pest control methods.
- ✓ Compost or mulch yard waste. Cover piles of dirt or mulch.
- ✓ Recycle as much as possible.
- ✓ Use a broom to sweep and collect sediment and organic matter on sidewalks and driveways. Collect sand used on driveways and sidewalks for future use or disposal.
- ✓ Use de-icing materials sparingly on driveways and sidewalks.
- ✓ Drain swimming pools onto expanse lawns or other vegetated areas.



Small Farms

Agricultural run-off from farming activities increases the amounts of coliform and organic matter in downstream water supplies. Small farming activities such as cow, sheep, and goat grazing, as well as waste from chicken coops, hog or pig pens, horse corrals, etc. can also contribute to wastewater runoff if not properly maintained.

Septic Systems

Leaking and poorly maintained septic systems release nutrients and pathogens (bacteria and viruses) that can be picked up by storm water and discharged into nearby water bodies. Pathogens can cause public health and environmental concerns.

- ✓ Inspect your system every 3 years and pump your tank as necessary (every 3 to 5 years).
- ✓ Don't dispose of household hazardous waste in sinks or toilets.

Auto Care

Washing your car and degreasing auto parts at home can send detergents and other contaminants through the storm sewer system.



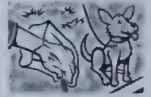
- Dumping automotive fluids into storm drains has the same result as dumping the materials directly into a water body. For example, one quart of oil can contaminate up to 2 million gallons of water.
- ✓ Use a commercial car wash that treats or recycles its wastewater or wash your car on your yard so the water infiltrates into the ground.
 - ✓ Dispose of used auto fluids and batteries at designated recycling and drop-off locations.
 - ✓ Prevent gas and oil leaks and spills.

- ✓ Have your motor vehicle routinely serviced.

Pet Waste

Pet waste can be a major source of bacteria and excess nutrients in local waters.

- ✓ When walking your pet, remember to pick up the waste and dispose of it properly. Flushing pet waste is the best disposal method.
- ✓ Leaving pet waste on the ground increases public health risks by allowing harmful bacteria and nutrients to wash into the storm drain and eventually into local water bodies.



Prevent Storm Water Runoff

There are several ways to help prevent storm water runoff.

Here are some examples:

- ✓ Plant trees, shrubs, and ground cover.
- ✓ Use a barrel to collect rain and store water for gardening.
- ✓ Redirect downspouts from paved areas to vegetated areas. Guide storm water onto grass or other vegetated areas by using berms or dikes.
- ✓ Use wooden planks, bricks, or interlocking stones for walking areas and patios.
- ✓ Clear away fallen trees and debris from natural waterways and storm water drains.



**Copied from UNH Energy and Campus Development
www.unh.edu/ecd/stormwater*

ANNUAL REPORT
of the
LITCHFIELD
NEW HAMPSHIRE
SCHOOL DISTRICT



2010

**LITCHFIELD SCHOOL DISTRICT
ANNUAL REPORT – 2010**

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SCHOOL DISTRICT OFFICERS

MODERATOR

John G. Regan

CLERK

Lynn Baddeley

TREASURER

Lynn Baddeley

SCHOOL BOARD

Dennis Miller, Chair
Term Expires March 2012

Cynthia Couture, Vice-Chair
Term Expires March 2011

Jason Guerrette
Term Expires March 2012

Mary Prindle
Term Expires March 2013

John York
Term Expires March 2013



LITCHFIELD SCHOOL DISTRICT

School Administrative Unit #27

Litchfield Board of Education

One Highlander Court

Litchfield, NH 03052

Phone: (603) 578-3570

Fax: (603) 578-1267

Equal Opportunity Employer

Dennis Miller, Chair

Cynthia Couture, Vice Chair

Jason Guerrette

Mary Prindle

John York

2010 ANNUAL REPORT SCHOOL BOARD CHAIR

To my fellow residents of Litchfield,

It is with great pride I submit my fourth annual report as Chairman of the Litchfield School Board. As a board, we remain focused on providing the framework to enable the best educational experiences possible for all students. The elections in March brought two new members to the board; we remain fortunate to have committed members on the board; their diverse backgrounds and viewpoints make the experience a truly rewarding one.

With the district facing the loss of more than \$2,000,000 in state aid, our administrators met throughout 2010 to develop a plan and budget to account for the loss of this funding. This funding loss represents more than 33% of the aid funding the district receives from the state and is more than 10% of the budget for the school district. The administration brought forward a budget which compensated for the loss of funding by implementing cuts in the budget and increases in revenue, including use of impact fees. The school board made further cuts, as did the budget committee. The effects will be felt across the entire district as a reduction of 31 positions is planned for 2011-2012. The budget presented to the voters will reflect a reduction of more than 5% from the 2010-2011 budget.

We are in the last year of a planned three year plan to bring GMS up to state approval standards. A new handicapped bathroom is planned for this year, and the lighting replacement has been advanced, with all of the remaining older lights at GMS being replaced in 2010. The district took advantage of a PSNH program and replaced all the lighting at all three schools with newer, more efficient lights and also installed "inactivity timers", so lights will automatically go out when no one is in a room for a predetermined amount of time.

Dr. Elaine Cutler had announced her planned retirement in October 2009, but with changes in her home life, she remained on as superintendent through the 2010-2011 school year. Recently, she has agreed to remain with the district through the 2011-2012 school year. She continues to bring tremendous insight into the education process from her years in Florida as well as in New Hampshire. While she is a school district employee, she truly serves the needs of the entire town with her leadership and can-do attitude.

For the third straight year, the students, staff and administration participated in "Make a Difference Week" and focused their efforts on gathering food for the Litchfield Food Pantry. While the schools compete against each other and GMS was declared the winner this year, the real winner is the community. The drive was a tremendous success, filling the pantry for the third year in a row. Thanks to all who participated.

We continue to have incredibly talented staff who have been nominated for state and national accolades each year. In the past year, we have had nominees for Teacher of the Year and Principal of the Year, with Bob Manseau winning the Secondary School Principal of the Year Award for New Hampshire. Your continued support of the educational process in Litchfield allows us to attract and retain quality people.

I want to again thank the residents of Litchfield for their support of the school district initiatives. The school board and administration look forward to working together in 2011 and beyond to provide the best possible education to each student in Litchfield. It is only together we can truly succeed.

Respectfully submitted,

Dennis Miller
Litchfield School Board Chair



LITCHFIELD SCHOOL DISTRICT

School Administrative Unit #27

Office of the Superintendent

One Highlander Court

Litchfield, NH 03052

2010 ANNUAL REPORT SUPERINTENDENT OF SCHOOLS

Last year I began this report by thanking the community for allowing me to serve as the Superintendent of Schools for three years, and announcing plans for retirement. When my husband suddenly passed away in January 2010, I was asked if I wanted to reconsider my decision. I am grateful for the opportunity to continue meaningful work in the Town of Litchfield, and wish to express my appreciation to many staff, parents, students, community and school board members whose kindness sustained me during this difficult year. You made a positive difference in my personal life, which my simple words cannot fully express.

At the end of February, the community experienced a weather event that caused power disruption for several days. Working collaboratively, the town and the school district successfully opened a shelter at CHS for residents. This is the second time in recent years that CHS has been opened due to a power failure. I am proud of the manner in which services in Litchfield join together to benefit those in need.

The March School District Meeting brought approval of an Operating Budget of \$20,849,678 and passage of the teacher's contract. This success reflected the hard work of the school board, the bargaining team, and the budget committee in bringing in an acceptable and fiscally responsible budget proposal. All groups collaborated for the greater good of the community. I am honored to work with such dedicated staff and members of the community.

The March election resulted in Mary Prindle and John York being elected to the school board. They are advocates for public education and have served the community well. I would like to extend my sincere appreciation to Patricia Jewett and Ralph Boehm for their years of service on the school board.

The New Hampshire economic situation reflected the nation's financial distress during 2010. Much time and effort was spent on legislative action that would prevent the Litchfield School District from losing over \$2M in state adequacy assistance for the 2011-2012 school year. Although many bills were introduced, little success was achieved in restoring these funds.

New England Common Assessment Program (NECAP) results again yielded improved academic performance at all schools in the areas of reading, mathematics, and writing. Griffin Memorial School scored as one of the top ten elementary schools in reading in the State of New Hampshire. Litchfield Middle School increased significantly in reading as well, and students achieving Proficient with Distinction increased impressively in most areas. Students in the area of special education continue to need additional support and improved strategies. Intensive planning is in place at all schools to improve the performance of students with special learning needs.

Community support continues to thrive in Litchfield. When it became apparent that the Griffin Memorial playground had fallen into disrepair and needed to be replaced, the community took action. With some financial support from the school board, the entire playground was replaced in a few short

months. The outpouring of donations, good will, and the spirit for the good of the community was clear. It is why Litchfield is so special to so many people.

In July, the Administrative Team brought forward a proposed budget for 2011-2012 that was reduced slightly more than \$2M from the current budget. Because of the drastic nature of such reductions, numerous positions were recommended to be eliminated. At the time of this writing, thirty-one staff reductions are in place. At GMS the staff reductions include: two classroom teachers, one assistant principal, one custodian, four paraprofessionals, one monitor and additional duty days for the nurse, the media center staff, and the elimination of summer school. At LMS the staff reductions include: two special education teachers, one custodian, one fifth grade teacher, one receptionist, and one part-time music teacher. At CHS the reductions include: five teachers to be determined after student course selection in February, one part-time custodian, two special education teachers, one part-time guidance counselor, two paraprofessionals, one media center assistant, one office receptionist and the adult education program. District Wide reductions include: one part-time special education administrative assistant, one speech pathologist, and one part-time certified occupational therapist assistant. Additionally, there are reductions in all supply and athletic accounts, elimination of out of state travel, and all non-union positions will not receive any salary increase. A myriad of other reductions can be located in the business section of this report.

In response to the reduction in state adequacy funding, the school board carefully considered fee schedules to increase revenue, and allow for less reduction in school costs. As a result, students at Campbell High School will pay \$100 for bus passes and \$100 for parking fees in 2011. Additionally, gate fees will be charged for all athletic events at the high school level. Minimal field and gymnasium fees will be charged for Litchfield community groups and higher fees will be charged to organizations which do not have a majority of the participants living in Litchfield.

It is important to note that the school population is declining. On October 1, 2010, 1582 students were enrolled in Litchfield Public Schools. This is a decrease of 96 students over a five year period. This loss of students translates into a loss of revenue as well as necessitating a reduction in teaching staff, regardless of the reduction of state adequacy funds.

The Litchfield School Board accomplished much during this school year. The revision of the policy manual was completed. A successful teacher's contract was accepted by the community and the medical benefits were negotiated to a lower rate resulting in cost savings. A Program Evaluation and Review Committee (PERC) was formed which provided additional oversight by the community on curriculum decisions and all curriculum materials for all grade levels were formalized and available on each school website. Websites at all schools were upgraded so that they would be easier to navigate for parents and community members.

Thank you for the opportunity to serve students and their families in this supportive community. It is a professionally and personally rewarding experience. There is no greater calling for citizens than to educate the children of the next generation.

Respectfully yours,

Elaine F. Cutler, Ed.D.



LITCHFIELD SCHOOL DISTRICT

School Administrative Unit #27

Office of the Superintendent

One Highlander Court

Litchfield, NH 03052

ANNUAL REPORT BUSINESS AND FINANCE

I am pleased to submit my annual report on the District's business and financial operations.

Last year we continued implementing additional modules of the financial and human resources management software, met additional federal requirements from the federal stimulus program, completed the updating of our finance and business policies, and completed major energy conservation and building projects at all three schools.

The District closed fiscal year 2010 with an unreserved and undesignated general fund balance of \$370,564 or 1.91% of the total General Fund expenditures. Major contributing factors to this fund balance were: \$188,149 in excess revenues which must be returned to the year-end fund balance; an under spend in utilities of \$135,603 due primarily to a very mild winter weather season; an under spend in vocational education transportation expenses of \$37,499 due to terms in a new contract amendment signed with the district's transportation vendor; and an under spend in self-funded programs of \$26,350 which do not impact the local property tax rate. Additional under spending in salaries and benefits offset over spending in several major accounts including Special Education out-of-district tuition, repairs and maintenance, replacement equipment, and kindergarten set-up costs which were offset by State Kindergarten Aid revenues.

The district received a significant increase in federal monies in 2010 mainly due to the American Recovery and Reinvestment Act of 2009 (ARRA) which added to the annual audit requirements and increased the SAU accounting and reporting requirements. A total of \$1,862,698 in ARRA grants was received. The State of New Hampshire State Fiscal Stabilization Fund (SFSF) used \$1,698,409 of ARRA grant monies in lieu of a portion of the state's required adequacy aid payments. Other ARRA grant monies were used to fund special needs services and supplies for students throughout the District, tutoring and an after school program for high school at-risk students.

The development of the 2011 – 2012 budget was a major effort during 2010. Due to the expected loss of approximately \$2.1 million in state funding in 2012, the budget process was extended as the administrative team developed a list of \$1.6 million in proposed budget reductions and approximately \$447,000 in proposed increased revenues to offset the loss in state funding.

As we continually look for ways to reduce the cost of our programs, we received our first rebate check for the procurement card program we implemented last year. The check was for \$2,210.97. As of April 2010 which is the end-of-year date that the rebate payments are based on, there were 19 NH SAUs in the program with total charges of \$2,883,898. Even though our first charges did not occur until the end of the fourth month of the program year, Litchfield had the fourth largest volume at \$233,965 or 8.1% of the total state. The rebate came to 0.95% of total expenditures.

All of our required reports to both the NH Department of Education and NH Department of Revenue Administration were submitted accurately and on time.

Our finance staff successfully handled ongoing operations. We completed the updating of all business and finance policies and processes. I want to acknowledge the continued excellent work and dedication of Jo Ellen Bellerive, our Chief Accountant, Christine Lavacchia, our Payroll Coordinator, and Ann Inamorati, our Food Service Bookkeeper. I also want to acknowledge Deb Mahoney, our HR Director, for her valuable contributions and support in the business and finance operations of the District.

Our Buildings & Grounds operations continued to concentrate on improving the maintenance of our facilities along with ensuring a clean and healthy environment. A District Maintenance Plan was developed by the staff and approved by the Board. Griffin Memorial School continued to be the primary location for building projects with the replacement of a section of the roof and the site preparation and set-up of two new portables to house the public kindergarten program. In addition, a significant portion of the school received a new coating of paint over the summer.

In our continuing efforts to reduce the energy costs to the district, two major projects were implemented in 2010. The District applied for and was granted a SMART START energy conservation program by PSNH. Lighting in all three schools was upgraded under the program. The total cost of the lighting upgrade project was \$288,767 which will be paid from the estimated annual energy cost savings of approximately \$60,000. In addition, the District was approved for a \$30,000 sub-grant under our vendor LighTec's Greenhouse Gas Reduction Grant from the State of New Hampshire. Under this grant we are installing an energy management system at the Middle School for boilers, hot water, air handling units and air conditioning. This system will reduce our carbon output and provide additional energy cost savings to the district.

I wish to acknowledge the dedicated work of our facilities team: Sue Ayer (Campbell High), Matt Bennett (District-wide Building & Grounds Coordinator), Dave Ross (Griffin Memorial), and Jack Williams (Middle School), and their staff for their excellent job in maintaining our facilities and grounds for our students and staff.

A separate report is being submitted by the Director of Technology. I do wish to take this opportunity to acknowledge the work of Kyle Hancock, Director of Technology, and Rob Demaine, Technology Coordinator, for their outstanding efforts this past year in upgrading the network infrastructure.

A separate report is also being submitted by the Director of Food Service. Our food service operations continue to be well run and are meeting the needs of our students and staff. I want to take this opportunity to acknowledge the excellent work of Hilda Lawrence, our Food Service Director, and her staff.

As we enter 2011, my team and I look forward to providing the best services possible to support the programs of the district.

Respectfully submitted,

Stephen F. Martin
Business Administrator

LITCHFIELD SCHOOL DISTRICT

School Administrative Unit #27

Office of the Superintendent

One Highlander Court

Litchfield, NH 03052

Phone: (603) 578-3570

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Equal Opportunity Employer



2010 ANNUAL REPORT DEPARTMENT OF SPECIAL SERVICES

The Special Services Department is an umbrella for a number of different areas of education for the school district. In addition to special education, the Special Services Department includes 504 students, English Language Learners, and home-educated students. During this past school year, there were 29 home-educated students in our school district.

We are in our second year of utilizing funds from the American Recovery and Reinvestment Act (ARRA). These funds were allocated to enhance the education of youth with disabilities. During this last twelve-month period, funds have been expended to assist teachers at Griffin Memorial School with the implementation of differentiated instruction in reading. Teachers were able to work together in planning over the summer, attending workshops, and implementing in the fall. In concert with the new focus on cyber-bullying, we have been able to fund a speaker on the topic for our students and their parents. Additionally, we have funded extensive assistance at the high school for students who are at-risk or in special education. Computers have been replaced for several special education case managers. Books and supplies have been purchased to assist special education students. The ARRA grant's spending timeframe ends with this school year. These federal funds have assisted in instruction for our students.

Once again this year we have been fortunate to receive IDEA funding for preschool needs. Some of these funds are being used to enhance the learning of our youngest students through the use of music. Shannon Laine, who is a music therapist through the Manchester Community Music School, provides music therapy twice weekly in the preschool. Music therapy promotes learning through multi-sensory stimulation, allows those students without language to communicate, and provides a means to express themselves non-verbally. This program has been well received by the students. Our preschool program continues to expand and address the needs of our youngest at-risk population of children.

Griffin Memorial School and Litchfield Middle School are part of a Restructuring Grant, with an emphasis on learning for special education students. Teams of staff members in each school meet monthly to facilitate positive changes in their respective schools. The elementary school is engaging in a model process for improving reading instruction to at-risk students. The middle school is working on a differentiated learning model that will support all students.

Campbell High School is the recipient of a statewide APEX III grant. A team of staff members attended a conference this summer and has continued to work together this school year to provide interventions and to document, through data collection, progress made by students engaged in the interventions.

The Special Services Department is focused on more positive experiences for all of our students. Through collaborative efforts with regular education staff and organizations from other New Hampshire school districts, our goal is to assist all students through the learning process, and to make their educational experience a positive one.

Sincerely,

Ronda Gregg, Ed. D.
Director of Special Services



LITCHFIELD SCHOOL DISTRICT

School Administrative Unit #27

Office of the Superintendent

One Highlander Court

Litchfield, NH 03052

2010 ANNUAL REPORT TECHNOLOGY

The year 2010 has been extremely busy for the Litchfield School District's Technology Department. In the late spring of 2010, a network audit was conducted by an outside contractor which resulted in a three phase recommendation to upgrade the network's infrastructure. The district was able to implement phase one and most of phase two of the recommended upgrades over the summer. The work that has been completed includes replacing network switches, servers, and internet connectivity. These upgrades have already yielded a great deal of success with increased internet bandwidth and reliability at Griffin Memorial School and Litchfield Middle School. We are currently working on finalizing the second phase of the network upgrades by installing new wireless access points at each school. This will give our mobile laptop labs better network connectivity and help get more technology into the hands of students.

The district has also approved an agreement with Microsoft which will allow us to continually provide the most up-to-date software for our students and staff. This agreement was made as we examined the best way for the district to upgrade to Microsoft Windows 7 and Office 2010. We will be piloting Windows 7 and Office 2010 at Litchfield Middle School in the spring of 2011, and are excited to roll out the two products to all Litchfield School District computers over the summer of 2011.

As the district has examined the need to upgrade to Windows 7, we have also been faced with some challenges regarding our current hardware. The Technology Department has presented a plan to the Litchfield School Board demonstrating the need to upgrade our current hardware and what the best course of action would be. In turn, we hope to be leasing approximately 100 new desktop computers which will be implemented over the summer of 2011 in Campbell High School. Depending on the age of the computer being replaced, it will either be salvaged for parts or reused in classrooms throughout the school. These leases will be spread over three years and will allow the district to purchase the units at the end of the lease for only one dollar. We believe this will yield the greatest results while respecting the District's current financial hardship.

As we look to the future, we will be revising our District Wide Technology Plan in the spring of 2011. This plan covers all aspects of the School District's Technology including infrastructure, facilities, curriculum, budgets, digital portfolios, and policy & procedure. With the formation of this plan, we hope to incorporate the use of technologies which will grow with the students as technology evolves. In the future we hope to provide more web-based resources for students and staff alike so that our resources can be utilized at any time of the day; from home or school. We believe this will help to provide unified access to all students and increase the reach of the 21st century classroom.

Respectfully submitted,

Kyle Hancock
Director of Information Technology



LITCHFIELD SCHOOL DISTRICT

School Administrative Unit #27

Office of the Superintendent

One Highlander Court

Litchfield, NH 03052

2010 ANNUAL REPORT FOOD SERVICE

I am pleased to submit the annual report for the Litchfield School District Food Service Program. In my 12 years with the district, I have had the pleasure of working with a hard working food service staff, supportive administrative and SAU staff, dedicated faculty and support staff and wonderful students. Together we continue to make strides in improving and advancing the food service program throughout the years.

We are into our second year of our Special Milk Program for the kindergarten students at Griffin Memorial School. This program offers kindergarten students who are in school for half day sessions to purchase low fat milk for snack time at a reduced rate of 25 cents, or free to those who qualify. Currently there is an average of 52 students or 52% of enrolled kindergarten students who participate in this program.

At GMS an average of 60% (an increase of 12% or 30 students per day from last year) of its enrolled students from Grades 1-4 purchased a reimbursable lunch this year. Students have a choice of a hot entree or sandwich alternate. Ice cream (low fat and reduced sugar) is sold once a week. We have added pre-plated chef salads for the students and it has become very popular as the students learn that they should be eating at least 5 servings of fruits and vegetables daily. Pre-plated salads are also available for teachers and staff. Lunch, milk and a la carte prices have not changed from last year at all schools.

Special thanks go to my GMS staff: Sheila Dion, Cristen Thorpe, Laura Dampolo and Pat Covey for all their hard work and enthusiasm in providing the students at Griffin Memorial School a healthy and delicious lunch as well as adding a little fun and excitement to the students' cafeteria experience.

At Litchfield Middle School, the lunch participation rate has reached its all time high with close to 52% of students taking a reimbursable hot lunch. This is 4% or 20 more students taking hot lunch daily. It is a much higher rate if you include a la carte food. Lunch choices include a featured hot lunch meal, sandwich alternate and salad bar alternate which all include the required protein, bread, vegetable, fruit and milk component. The salad bar continues to be popular with students, faculty, and staff. Vegetable and fresh fruit consumption has increased.

Special thanks to my dedicated and hard working staff at Litchfield Middle School: Debi Hayes, Cathy Snyder, Darlene Gymziak and Janice Barrett.

Campbell High School's food service staff continues to offer breakfast and lunch to students and staff as well as to cater school events and meetings. Reimbursable lunch offerings include 2 or 3 hot lunch entrees and pre-plated salads. Participation rate for reimbursable meals is close to 40% and a much higher rate with a la carte sales. The salad and snack bar continues to do well.

Special thanks to the kitchen staff at Campbell High School for making it all happen: Janet Belhumeur, Lucy Santos, Judy Latsha, Linda Summit and Ellie Ricard (who celebrates 5 years with the School Lunch Program).

Our local and state sanitation inspection reports continue to be in compliance with required regulations. CHS scored 99%, with one point being deducted for a dusty refrigerator fan. LMS scores 98% for a deficient water pipe that needed to be cut to prevent overflow. GMS scored 97% for a deficient water pipe and for not having a proper 3 bay wash sink as required because of limited space. All but one new staff member is certified in ServSafe, a 10-hour food service safety and sanitation course and test.

I would also like to thank Christine Lavacchia, our former food service bookkeeper who has moved to the position of payroll coordinator, for all of her innovative improvements to the bookkeeping program. Welcome to our new bookkeeper, Ann Inamorati who is doing a wonderful job and has easily stepped up in her role.

Thank you also to the maintenance staff for their hard work in helping keep the kitchen clean. And of course, many thanks to the SAU staff for their continued support and work.

Respectfully submitted,

Hilda Lawrence
Food Services Director

LITCHFIELD SCHOOL ADMINISTRATIVE UNIT #27 STAFF - 2010 - 2011

<u>Name</u>	<u>Position</u>	<u>Degree</u>	<u>Salary</u>
Cutler, Elaine	Superintendent	Ed. D.	\$113,300.00
Gregg, Ronda	Director Special Services	Ed. D.	\$93,549.00
Hancock, Kyle	Director Technology	B	\$63,479.55
Heon, Jule	Director Curriculum & Instruction 60%	CAGS	\$26,781.00
Lawrence, Hilda	Director Food Service	B	\$48,487.00
Mahoney, Deborah	Director Human Resources	B	\$62,936.00
Martin, Stephen	Business Administrator	M	\$96,631.00
Sullivan, Gail	Director Curriculum & Instruction 60%	CAGS	\$20,912.00

LITCHFIELD SCHOOL DISTRICT STAFF 2010 - 2011

<u>Name</u>	<u>Position</u>	<u>Degree</u>	<u>Salary</u>
Beckley, Kristen	School Psychologist	CAGS	\$62,866.00
Deslauriers, Jill	Speech Associate	B	\$61,016.00
Hegarty Follis, Kathleen	Occupational Therapist 50%	M	\$21,628.00
Mague, Danielle	Speech Pathologist	M	\$44,899.00
McGarry, Kathrine	Speech Pathologist	M	\$62,134.00
Pelland, Elin	School Social Worker	M - LICSW	\$53,014.00
Selig, Tari	School Psychologist	CAGS	\$60,770.00
Turco, Donna	Title 1 Core Teacher 50%	M	\$19,985.00



Martin Schlichter
Principal
Stacy L. Maghakian
Assistant Principal

229 Charles Bancroft Highway
Litchfield, NH 03052
Phone (603) 424-5931
Fax (603) 424-2677

2010 PRINCIPAL'S ANNUAL REPORT

Dear Superintendent Cutler:

I am pleased to submit this annual report as Principal of Griffin Memorial School. It has been a trying year for all of us at the school as we deal with the difficult budget situation and the impending loss of state funding. I will highlight some of our successes this year and challenges we face over the coming school year.

In the area of academic achievement, our students continue to demonstrate great success in the area of language arts. Both formal and informal assessments show excellent student growth. Our reading program is second to none, with considerable resources dedicated to student literacy. All students have at least ninety minutes of language arts instruction each day, as well as some specially designed programs such as Young Authors and the Tournament of Readers. In addition, we have structured our reading classes so our reading specialist and reading tutors spend all their time working with our most needy youngsters. Our library program has enhanced this instruction by supporting the classroom teachers with their specific lessons. Connie Faro, our school reading specialist, is to be commended for all her hard work and efforts in making our program successful.

In the area of math we have demonstrated considerable student growth. Our state test scores are considerably higher than the state average in most areas. Our standardized test scores also indicate significant student achievement. This improvement is the result of a solid curriculum, excellent instructional materials and, most importantly, great teaching.

Science, social studies and unified arts programs continue to be important components at Griffin Memorial School. In the area of science, our test scores were twenty percent higher than the state average on the state science test at grade four. This was a pleasant surprise as we do not have a dedicated science coordinator to oversee the science program, a luxury that several neighboring towns enjoy. Our music, art and physical education programs provide our children with a rich experience in which our community can take great pride.

In the important area of social and personal development, the character education program provides all students with a rich comprehensive experience. The monthly theme focuses on a cultural value and what it means for an elementary school aged student to reflect that value in their everyday behavior. Responsibility, friendship, and respect are just three of the nine values we focus on each year.

In addition, our GMS Green Team continues to expand our recycling program with all paper materials being recycled. I commend Fern Seiden, our school counselor, for her leadership in this area.

The Student Council, under the leadership of our Assistant Principal, Stacy Maghakian, has planned and participated in several community service projects this year, with the holiday food drive this past fall a great success.

While Griffin Memorial School is an old facility, we have been able to make some significant upgrades over the past year. The new lights in the building have had a significant positive impact on instruction and building climate. The painting of all the classrooms has brightened our school and helped make GMS a fun place to be. I must give credit to you, Dr. Cutler, for your insights in making our facility all that it can be. I also thank Dave Ross, our facilities manager, and the entire custodial crew for taking great pride in our facility and maintaining it so well.

Our success as a school is the direct result of hard work, skill and dedication. I recognize the teaching staff, support staff and school volunteers for all their efforts. I commend the P.T.O. for all they do for our students and staff. I thank Assistant Principal, Stacy Maghakian and our Administrative Assistants, Deb Leary, Lori Martin and Joyce Wilcox for their dedication to our organization. Finally, I thank you and all the SAU staff for all the support you give us.

Sincerely,

Martin Schlichter
Principal

Griffin Memorial School Staff 2010 - 2011

<u>Last Name</u>	<u>First Name</u>	<u>Position</u>	<u>Grade</u>	<u>Salary</u>
ADAMAKOS	KRISTIN	TEACHER KINDERGARTEN 50%	M	\$ 25,735.00
ALLEN	TRACY S	TEACHER - GRADE 1	B	\$ 50,479.00
ASHE	AMY J	TEACHER - GRADE 4	M	\$ 54,756.00
BENOIT	SUSAN L	TEACHER - GRADE 2	B	\$ 52,449.00
BLACKADAR	RITA G	TEACHER SPECIAL EDUCATION	B	\$ 61,016.00
COHEN	JULIE L	TEACHER - GRADE 4	M	\$ 43,256.00
COTE	DORIS A	TEACHER - GRADE 2	M	\$ 64,572.00
COTE	JULIE T	LIBRARIAN JOB SHARED	B	\$ 26,843.04
CULLEN KENT	PAULA M	TEACHER - GRADE 4	B	\$ 58,905.00
DEPLOEY	SAMANTHA R	TEACHER PRE-KINDERGARTEN	B	\$ 46,182.00
DOUCETTE	SANDRA L	TEACHER - GRADE 1	M	\$ 63,134.00
ELEY	ALLISON	TEACHER SPECIAL EDUCATION	B	\$ 51,479.00
FARO	CONSTANCE	READING SPECIALIST	CAGS	\$ 66,010.00
HAARLANDER	JESSE S	TEACHER - PHYSICAL ED	B	\$ 34,723.00
HALE MILLER	HEIDI E	TEACHER ART	M	\$ 63,134.00
JOHNSON BARRY	BONNIE K	TEACHER PRE-KINDERGARTEN	M	\$ 42,321.00
JOHNSTONE	SANDRA J	TEACHER - GRADE 1	B	\$ 51,276.00
LABELLE	BARBARA L	TEACHER MUSIC	M	\$ 63,134.00
LAPLANTE	ANGELA M	TEACHER - GRADE 3	B	\$ 41,884.00
LEARY	STACEY E	TEACHER - GRADE 4	M	\$ 51,470.00
LEVESQUE	CAROL A	TEACHER - GRADE 3	M	\$ 58,042.00
LLEWELLYN	SARAH J	TEACHER - GRADE 3	B	\$ 43,413.00
MAGHAKIAN	STACY	ASSISTANT PRINCIPAL	M	\$ 75,023.00
MCGOWAN	SUSAN F	TEACHER - GRADE 2	M	\$ 65,010.00
MICHALEWICZ	INGA M	TEACHER - GRADE 2	M	\$ 62,134.00
MORIARTY	ERIN E	TEACHER - GRADE 1	B	\$ 37,587.00
OSTLER	SUSAN E	TEACHER - GRADE 2	M	\$ 39,970.00
PARENT	MARGARET	TEACHER - GRADE 4	M	\$ 64,572.00
PATTEN	KRISTEN L	TEACHER - GRADE 3	M	\$ 44,899.00
PREVEL-TURMEL	MELINA	LIBRARIAN JOB SHARED	M	\$ 34,186.72
SAXTON	MARY LOUISE	TEACHER SPECIAL EDUCATION	M	\$ 63,134.00
SCHLICHTER	MARTIN	PRINCIPAL	M	\$ 93,609.00
SEABROOK	SUSAN G	NURSE	B/RN	\$ 52,233.03
SEIDEN	FERN R	GUIDANCE COUNSELOR	M	\$ 53,482.71
SHUPE	PENELOPE	TEACHER KINDERGARTEN	M	\$ 64,572.00
SIBONA	JESSICA	TEACHER - GRADE 3	B	\$ 46,182.00
SMITH	LAUREN M	TEACHER - GRADE 2	M	\$ 39,970.00
SWEETSER	TINA M	TEACHER KINDERGARTEN	B	\$ 40,452.00
TREMBLAY	LISA E	TEACHER - GRADE 1	M	\$ 39,970.00

Litchfield Middle School

19 McElwain Drive
Litchfield, New Hampshire 03052-2328

Thomas Lecklider
Principal

Telephone 424-2133 • Fax 424-1296

Kerry Finnegan
Assistant Principal

2010 PRINCIPAL'S ANNUAL REPORT

Dear Dr. Cutler:

As I reflect on the past year at Litchfield Middle School, I feel a sense of great fortune to work in the supportive school community of Litchfield. I will highlight our accomplishments as a school as well as plans for next year. It is with great pride and enthusiasm that I submit this report to you. Our theme at LMS is "Do Your BEST". BEST stands for "Be Responsible", "Extend a Helping Hand", "Show Respect", and "Take Responsibility". Throughout the past year, our school has done a very nice job of exemplifying these four qualities.

The middle school saw little turnover in staff this past year. We welcomed Shawn Baskerville as the new special education teacher in the seventh grade. Shawn is a familiar face to the Litchfield school community as he has been working at Campbell High School for several years. We also welcomed two new paraprofessionals, Kelly Isaacs and Caitlin McCullough to our staff. Due to enrollment fluctuations, we had a few teachers transfer to new grade levels: Audra McCollem to seventh grade social studies, Jean Henriquez to grade eight special education, and Nancy Brucker to fifth grade. Sheila Huston, eighth grade math teacher at LMS, has joined Gabe Falzarano as co-athletic director for the middle school. She brings enthusiasm and spirit to the position.

One of the greatest accomplishments is in the area of student achievement. Near the end of May, the State of New Hampshire released their list of schools which made Adequate Yearly Progress (AYP) as measured by the New England Common Assessment Program (NECAP) for the previous year. Our school celebrated making "whole school" Adequate Yearly Progress (AYP) in the areas of both math and reading this past year, a wonderful achievement. This is the third consecutive year that our whole school has measured considerable growth in math and reading.

We continue to work hard to achieve AYP status in math and reading with our special education subgroup. This year, we are creating a re-structuring plan through our School Improvement Team, focusing specifically on the needs of these learners. This team consists of representation from staff, community, and the district.

In addition to the NECAP, our students took the Northwest Evaluation Association Assessment (NWEA) again this year in January, May, and with some students in September. This is an online standardized test in math, language usage, and reading. The results of this test are reported instantly, allowing teachers, students, and parents an opportunity to learn quickly about

the student's level of achievement. Our students' performance on this test was considerably above the national average in all areas.

Our math department continues to enjoy the materials that coincide with the new series of resources we received in fall 2008. Additionally, Teresa Planty, our math tutor, has worked extensively with many students.

Our content reading program continues to reach all students in grades six through eight. Last year was the second in which all students in grades six through eight were involved in the content reading class. Additionally, we continue to put a significant emphasis on the Six Traits Writing model. All staff has been trained in this model for approaching writing instruction and assessment. As a result, students are producing more writing and assessing more writing. Students are learning to be critical analysts and assessors of their own writing. Fred Wolff will be training staff again this spring and next fall as a follow up to the work he did last year.

The combined work of the Positive Behavior Interventions and Supports (PBIS) Team and School Improvement Team continued to result in a great plan for individualized student goal setting again this year. The student body was divided into BEST groups of ten to twelve students. Each student met individually with their BEST group leader and set a personal goal for the test in both reading and math. In addition, our school set a goal for improvement on the test. Not only did this generate additional motivation from the students individually as they took the test, it fostered an energy and enthusiasm within the entire building. We anxiously await the latest NECAP results to be reported in late January.

Goal setting is an important part of the NWEA test process. Students are given target growth goals at the conclusion of each round of testing based on their achievement. It is our expectation that students will meet that goal in the next round of testing in January 2011.

Individual student performance continues to be solid with many students achieving academic honors and commendations for their efforts. At the end of each quarter, we hold team-wide assemblies to honor our students for "commendations", "honors", and "high honors". Those students who have achieved in any of these categories receive certificates to recognize their work.

Our PBIS initiative continues to serve as an important piece to building a positive climate at LMS. Each year of the program has seen an increasingly positive impact on the middle school. Using the BEST matrix, which all students are familiar with, we accentuated the positive qualities that PBIS focuses on, then talked about the specific environments where these qualities might be displayed. The data we have collected on this program has served as a reminder of the wonderful students we are so fortunate to work with at LMS.

This fall, the emphasis of the PBIS program has centered on promoting positive student interactions and educating students on the serious realities of bullying. With a new bullying law in our state, there has been widespread coverage of the serious impacts bullying can have on students. We are making every effort to be proactive on this front. Each instructional team facilitated a book study on this topic during the fall.

On January 27, 2011, the middle school will be hosting a nationally renowned speaker, John Halligan, who will present on this topic. We are looking forward to this event as a way to educate and inform our students and community. As follow-up, Guidance Counselor Lynne Ellis will coordinate a student group which will act as the source of leadership to promote positive peer interactions in our middle school.

This year, again, our middle school joined hundreds of schools and thousands of students on November 15th in the "Mix It Up Lunch" event. Lynne Ellis was instrumental in organizing and promoting this event. Students entered the cafeteria and were assigned groups to sit with for the duration of the lunch period. In these groups, students talked about cliques that develop and how to accept others despite differences. This event was a learning experience for students and worthwhile lessons were learned.

The Student Council had another year of excellent participation. Karen Martin along with 60+ students has brought some new ideas to the Council this year. Each quarter, our student council hosts a breakfast to recognize the "Class Acts" of our student body. A Class Act is a student who consistently exhibits our core values as a school: respect, responsibility, extending a helping hand, and individual effort. We honored over 100 students at these breakfasts over the past year and awarded certificates to acknowledge our pride in their accomplishments. The families of these respective students were invited and welcomed to attend with their children. These breakfasts have been a special time for our students and their families.

In an effort to "Extend a Helping Hand" in our community, the middle school participated in a number of meaningful events. The Litchfield School District "Make a Difference" food drive was another overwhelming success and helped to fill the Litchfield Food Pantry with much needed donations of non-perishable items. Over 4500 items were donated from our three District schools, including our middle school, with over 1700 items. Another event that was successful this past year was the Holiday Cards for Troops Overseas. Students made cards for our troops in their PBIS groups. As a school, we sent over 500 cards.

In recent years, we have made it a tradition to pause and recognize our veterans and service men and women at our school-wide Memorial and Veterans' Day ceremonies. We start the day at these events by gathering as a staff and student body around the flag pole. Along with a number of student readings, our band and chorus performed some patriotic numbers for the audience. In November, our Unified Arts team hosted a breakfast for the veterans in our community. We look forward to continuing these traditions in coming years.

The grounds of LMS continued to undergo an extreme makeover this past year. Thanks to the incredibly hard work of Andrew Plantz and the Green Raider Team, the front of the building is now beautifully landscaped on both sides of the main entrances. Additionally, areas on the south side of the building, along with the rear exit, and the bike racks, are beautified and landscaped. The PTO made a generous donation this past summer so that we could plant new trees in front of the gymnasium. These trees, along with their aesthetic beauty, will provide some much needed shade over these grounds. Andrew Plantz, Red-Tailed Hawks science teacher, is the advisor of our Green Raider Club. This is an after school program focusing on recycling, beautification of the property, and general awareness of how we affect our environment. For the past few years, Andrew teamed up LMS with an organization which pays for our recycled paper. This has become a win-win for the middle school.

In sports, David Gilmore has continued to build an extensive intramural program, including flag football and floor hockey. In a short time, upwards of 100 students are involved. We look forward to further expanding these opportunities for our students.

For the second year, our students were involved in a program called Project Safeguard. This was an initiative that we initially teamed with Merrimack School District on to provide a day of workshops and presentations focusing on issues that concern adolescents and their families. Last year, we coordinated our own Litchfield Project Safeguard for seventh graders. I would like to thank the many parents, community members, and staff members, including our Assistant Principal, Kerry Finnegan who were instrumental in helping organize this meaningful event. Parents and students attended this event together. It was an overwhelming success. We look forward to continuing to build on this program. As I write this report, plans are coming together for next year's 2011 Project Safeguard at the campus of St. Anselm's College in May.

Our athletic programs continue to find tremendous success. Our softball and baseball teams won Tri-County championships this year on undefeated seasons! This was their third and second undefeated championship respectively. Our girls and boys soccer and boys and girls basketball teams made a strong showing in playoff games. The Raiders Cheerleading Team placed third in their Class competition. Our girls cross country team placed first in the Tri-County meet and the boys placed second. This was also the inaugural season for our official LMS tri-county volleyball team. Our team not only had a successful season, they went on to win the championship in year one. I would like to recognize the hard work and success of the coaches of all our sports teams at the middle school.

The music program, including band and chorus, found terrific success in their competitions in spring 2010. The band and chorus were awarded a gold plaque in the Great East competition. I would like to extend congratulations to all students and directors.

For the second consecutive year, Deb Briggs has coached the Lego-Robotics Team. After a successful first season, our team improved and qualified for Regionals in year two. Congratulations to those students who spent many hours preparing for the competitions.

We continue to take steps to build a stronger climate of collaboration and improved communication. Two years ago, we began the use of a web-based tool, Edline, to inform parents of student progress on a bi-weekly basis. Edline is a program whereby teachers post their grade books online, and parents and students can view their grades, homework, upcoming tests and project information and rubrics from their home computer. Edline is also used to send group emails to parents. Parent comments after the first year of the program have been very positive. Timely and routine school-to-parent communication via Edline will help us to better collaborate with our parents.

The school web site continues to serve as the information lifeline between the school and the community. All teachers have an updated homework page that parents can access daily. Black Bear teacher Jody Corbett continues to serve as our webmaster. We made some marked improvements to our web site last summer, and the overall layout of the website is easier to navigate. In an effort to continue to improve communication, we now have a link to our daily school announcements. This has proved to be a helpful tool for our parent and student community.

Due to fiscal challenges, the Boys and Girls Club could no longer support an after-school program in Litchfield. Thanks to the hard work of Robin Kopaczynski and Patti Waggoner, we were able to quickly explore other options and join an after-school enrichment organization based out of Burlington, Massachusetts called Springboard. Springboard began their work in Litchfield in August. They have settled into the middle school nicely in just a few short months.

With the ever important data collection of the middle school, Administrative Assistants Leslie Pearce and Andrea Hamilton have played a critical role. Whether it is entering i4see information, inputting for the NWEA test or assisting with Edline activation codes, these two individuals need to be recognized for their consistently excellent work at LMS.

Special appreciation is extended to Jack Williams and our custodial crew who have worked tirelessly to keep the building and grounds in great shape. We did not have any significant capital improvements over the past year.

All the accomplishments in this report could not happen without the tremendous support of our staff and the many individuals and organizations in the community. I want to recognize the dedication of the staff at the middle school for always putting the students' needs first. It is because of your passion for educating the middle school student that our building is a place students feel a sense of belonging.

Finally, I would like to thank you, Dr. Cutler, along with your staff, Special Education Coordinator Ronda Gregg, and Business Administrator Steve Martin, for the support and assistance you have offered me. I look forward to another year working together with you.

Respectfully submitted,

Thomas Lecklider
Principal

Litchfield Middle School Staff 2010 - 2011

<u>Last Name</u>	<u>First Name</u>	<u>Position</u>	<u>Grade</u>	<u>Salary</u>
BASKERVILLE	SHAWN R	TEACHER SPECIAL EDUCATION	M	\$ 48,185.00
BERUBE	AMY M	TEACHER - GRADE 7 SCIENCE	B	\$ 46,182.00
BOWIE	KAREN R	TEACHER - GRADE 5	M	\$ 53,113.00
BRUCKER	NANCY A	TEACHER - GRADE 5	M	\$ 64,572.00
CARR	MAUREEN	NURSE	B/RN	\$ 56,366.58
CORBEIL	ROBIN L	TEACHER COMPUTERS	B	\$ 47,614.00
CORBETT	JODY L	TEACHER - GRADE 7 ENGLISH	M	\$ 50,754.00
CUMMINGS	MARY E	GUIDANCE COUNSELOR	M	\$ 59,045.70
DODGE	JEAN C	TEACHER - GRADE 7/8 MATH	B	\$ 57,905.00
DWYER	HEATHER A	TEACHER - GRADE 6 ENGLISH	B	\$ 50,947.00
ELLIS	LYNNE M	GUIDANCE COUNSELOR	M	\$ 63,715.06
EVANS	JOSHUA J	TEACHER SPECIAL EDUCATION	B	\$ 38,928.00
FALZARANO	GABRIEL A	TEACHER - GRADE 8 SCIENCE	M	\$ 46,542.00
FINNEGAN	KERRY	ASSISTANT PRINCIPAL	CAGS	\$ 72,257.00
GARABEDIAN	KATHLEEN A	TEACHER ART	M	\$ 59,458.00
GILMORE	DAVID J	TEACHER - PHYSICAL ED	B	\$ 36,155.00
GUERRETTE	JESSICA M	TEACHER - GRADE 8 ENGLISH	M	\$ 56,399.00
HENRIQUEZ	JEANNE M	TEACHER SPECIAL EDUCATION	M	\$ 51,470.00
HOELZEL	STEPHANIE	TEACHER SPECIAL EDUCATION	B	\$ 46,182.00
HUSTON	MICHAELA M	TEACHER - GRADE 8 MATH	M	\$ 51,470.00
IRVING	CHERYL H	TEACHER - GRADE 6 MATH	B	\$ 56,793.00
LANGTON	DEBRA G	TEACHER - GRADE 6 SCIENCE	B	\$ 55,793.00
LASOCKI	LISA A	TEACHER FACS	M	\$ 60,634.00
LECKLIDER	THOMAS	PRINCIPAL	M	\$ 90,124.00
LEES	KARLA C	TEACHER SPECIAL EDUCATION	M	\$ 57,793.00
LEFOLEY	KAREN	TEACHER - GRADE 5	M	\$ 61,184.00
LEITE	CAROLYN J	TEACHER MUSIC	B	\$ 56,793.00
LOVE	HOLLY B	TEACHER - GRADE 5	M	\$ 63,134.00
MARTIN	KAREN A	TEACHER TECH EDUCATION	B	\$ 53,343.00
MCCOLLEM	AUDRA J	TEACHER - GRADE 7 SOCIAL STUDIES	B	\$ 51,276.00
MCPHEE	CATHERINE	TEACHER - GRADE 7/8 SOCIAL STUDIES	B	\$ 58,905.00
MEDEIROS	MARY ELLEN	TEACHER - GRADE 6 ENGLISH	B	\$ 54,421.00
NOLAN	KIM E	TEACHER - GRADE 8 ENGLISH	M	\$ 62,134.00
O'BLINIS	FAYE E	TEACHER - GRADE 7 ENGLISH	M	\$ 49,068.00
PLANTZ	ANDREW M	TEACHER - GRADE 7/8 SCIENCE	B	\$ 50,479.00
ROONEY	CHRISTINE D	TEACHER HEALTH	M	\$ 49,827.00
SIDILAU	KATHLEEN A	TEACHER - GRADE 6 SOCIAL STUDIES	B	\$ 56,793.00
SIMONEAU	MARIA A	TEACHER SPANISH	B	\$ 55,793.00
SPEARMAN	YOLANDA M	TEACHER MUSIC 50%	M	\$ 28,199.50
TARR	TERESA M	TEACHER - GRADE 5	B	\$ 56,793.00
TATE	CHRISTINE L	READING SPECIALIST	M	\$ 57,793.00
THAYER	MARTHA T	TEACHER - GRADE 7/8 ENGLISH	M	\$ 62,134.00
TURCO	DONNA B	READING SPECIALIST 50%	M	\$ 19,985.00
WALLACE	YVONNE	LIBRARIAN	M	\$ 61,162.54
ZINGALES	ELIZABETH	TEACHER - GRADE 5	M	\$ 63,134.00

Campbell High School



Phone (603) 546-0300

One Highlander Court, Litchfield, NH 03052

Fax (603) 546-0310

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Co-Athletic Director

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Gabriel A. Falzarano

Co-Athletic Director

gfalzarano@litchfieldsd.org

2010 PRINCIPAL'S ANNUAL REPORT

Dear Dr. Cutler:

I am pleased to present this report to the community on the happenings at Campbell High School.

At its January 24-25, 2010 meeting, The Commission on Public Secondary Schools reviewed the Two-Year Progress Report of Campbell High School and voted to continue the school's accreditation. In a letter dated March 30, 2010, the Commission commended the school for progress in a number of areas, including the scheduling of six late arrival days to provide formal time dedicated to curricular integration and teacher collaboration, and the increase in the number of support personnel resulting in additional time to support guidance, library, and psychological and social services.

Campbell must submit a required Five-Year Progress Report on March 1, 2012. The report will provide detailed responses to ten highlighted recommendations, including documenting that all curricula provide cognitively challenging and engaging work for all students. By March of 2012 the Commission will expect all valid recommendations in the 2007 evaluation report be completed or in the final stages of implementation.

The accreditation process is based on a ten year cycle. In our case, the cycle started in 2007, the year the NEASC Visiting Team came to inspect us. Following the March 1, 2012 report and a successful review by the Commission, we will start all over again initiating the ground work for the next self study in anticipation of the re-accreditation visit in 2017.

Campbell was recognized and honored as the Secondary School Finalist for the NH Excellence in Education at the 17th Annual "ED"ies Awards, held in June at the Radisson Hotel in Manchester.

Campbell High School students continue to garner special recognition in the school's three A's of Academics, Arts, and Athletics.

Jess Rau was recently named a National Merit Scholar Semi-Finalist after participating in the PSAT last fall. Jess is one of 16,000 students out of 1.5 million entrants to achieve this recognition. Jess' selection index score (critical reading + mathematics + writing skills scores) qualified her for recognition in the prestigious National Merit Scholarship Program. She will be notified in February 2011 if she was selected as a finalist.



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During the summer months, Campbell students continued to enjoy various educational opportunities to help them prepare for life after Campbell High School. Cam Branco participated in the National Youth Leadership Forum on Medicine at Babson College. This provided Cam with an intensive study of the academic rigors of the medical field. John Cialek and Jordan Billings traveled to China to participate in the Global Young Leaders Conference. Evan Leith, Jess Rau, and Nick Oberti represented Campbell at the St. Paul's Advanced Studies program in Concord.

Nominees for the Francis Wayland Parker Scholarship this year were Alyssa Paquin, Lucas Dube, and Leah Stagnone. Christina Lepore will be representing CHS as the 2011 Hugh O'Brien Leadership Seminar nominee. John Houston currently represents CHS as the New Hampshire Interscholastic Athletic Association Student Ambassador.

Nicholas Sturzo participated in the National Young Leaders Conference, which recognizes academically strong students who excel in community leadership. This provided hands-on experiential opportunities that will help prepare him for a lifetime of leadership. This program recognizes students who excel in a particular field of study such as medicine and law. Becky Weiss and Justin Prindle participated in the Youth and Government Program at the Statehouse in Concord. Social studies teacher David Gingras volunteered as Group Advisor.

In April, biology teacher Chet Orban, industrial arts teacher Chuck Mower, and art teacher Denise Freeman led students at Benson's Animal Park to help find a new home for the countless bats living inside the Hazelton Barn. Previously, students had designed and built bat houses made from white cedar taken directly from the Benson's premises. During the day-long expedition, students installed the bat houses, tested various swamps and ponds to examine the levels of oxygen and phosphate, as well as determine the microorganisms living in the water, and documented the process by taking many landscape photos throughout the day. They worked with the state conservation committee to address the ecological needs of the white-nosed bat problem in Southern NH and worked towards a solution to assist in conserving the bat population.

We have worked diligently to celebrate student success. Sixty eight students who earned all A's on their report cards (08-09 semester 2 or 09-10 semester 1) were honored at the All A's Celebration held in April. We posted the names of our top twenty scoring students from each NECAP and NWEA test on a data wall for all students to see. We instituted an incentive program for students scoring proficient or above in the NECAP tests. Starting with the spring administration of the Science NECAP test, students were honored at an assembly and given "Think" (Th – Thorium, In – Indium and K – Potassium) T shirts, identifying them as NECAP "All-Stars." The shirts were designed by students and cleverly used the Periodic Table of the Elements in the design.

Our commitment to the visual and performing arts continues to afford our students opportunities to be successful on many levels.

In the 2010 Scholastic Art Awards of New Hampshire competition, Campbell artists did extremely well. There were seven gold key winners, four silver key winners, and seven honorable mentions. Teachers Denise Freeman and Paula Barry assisted the students.

Performing arts continue to thrive at Campbell High School. In spring 2010, music department students performed in district concerts and a multi-media spring concert. Both the instrumental and choral ensembles earned A ratings at NHMEA Large Group Festival. The combined choirs earned a gold performance rating, and the band earned a platinum performance rating at Great East Festival. Both ensembles performed at the Litchfield Memorial Day events as well. The spring musical production of "Little Women" offered interdisciplinary opportunities as students learned performance skills and became familiar with a literary classic.



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In fall 2010, the musical production "Grease" provided a fun and enriching musical experience to more than seventy students. The music department hosted a winter concert, featuring repertoire ranging from Bach classics of the Baroque era to Disney hits of today. A new Introduction to Acting course was introduced, with course sign-ups at capacity. The Tri-M Music Honorary Society is flourishing with greater student involvement than ever before. With all this achievement, the music department continues to highlight student successes with Cougar Musician and Music Student of the Month honorees.

Our interscholastic athletic program continued to thrive with several athletic teams and individual athletes receiving accolades.

CHS was presented the "Award of Excellence" for the second consecutive year by the NHIAA for exemplary display of Sportsmanship, Ethics and Integrity. Campbell also received recognition for Sportsmanship in Boys Golf, Girls Volleyball, Cross Country, Boys Basketball, Softball and Outdoor Track. In addition, Girls Basketball was Class M Runner Up for the third consecutive year. The Boys Outdoor Track Program captured the Class M State Championship. This fall the Girls Varsity Soccer Team completed an undefeated season on their way to be crowned the Division III State Champion. The Fall Co-Ed Spirit Team was named Division III Runner Up.

Anthony Rinaldi was named Class M State Champion in the 100 and 200 meter Dash. John Cialek was named Class M State Champion in the 110 Hurdles. Jared Evan Leith was named Class M State Champion in the High Jump. The 4 x 400 meter Relay Team composed of Ryan Donaghey, Spencer Soulard, Anthony Rinaldi and Geoffrey Pomerleau was named Class M State Champion. The 4 X 100 meter Relay Team composed of Patrick Queenan, Spencer Soulard, Kyle Mun and Anthony Rinaldi was named Class M State Champion.

Shawna Trunca became the first female soccer player to score 100 goals in a career finishing at 104. She was recognized as the New Hampshire Union Leader Athlete of the Month in September as well as the Union Leader's top eleven players in the State of New Hampshire. Shawna was also recognized as the Division III Player of the Year.

The following student-athletes were recognized as Senior Scholar Athletes by the NHIAA and NHADA: Molly Delano, Ryan Donaghey, Jacob Lang, Stephanie Loeb, Alexandria Nicoll, Evan Ordway, Patrick Queenan, Kara Reid and Spencer Soulard.

The following student-athletes represented the Athletic Department at the annual NHIAA/NHADA Student Leadership Conference held in March: Haley Bowen, Courtney Gannon, Kristen Hrubowchak, Andrew Lepine, Erin McLaughlin, Kyle Mun, Nicholas Oberti, and Tyler Syphers.

Varsity Softball Coach Laurie Gatherum was recognized as the Class M Coach of the Year. Athletic Director Daniel Kiestlinger was recognized by the Governor's Council on Physical Activity and Health for his dedicated service and commitment to the Council. Varsity Girls Soccer Coach Robert Gannon was recognized as the Division III Coach of the Year. He also was recognized by the New Hampshire Union Leader as Coach of the Year.

The track has been temporarily repaired and re-opened for use. We are in the process of determining the cause of the track's surface problems before it is permanently repaired.

We are proud to mention recognition garnered by our faculty and staff. "Red Apple" awards went to Elin Pelland and Bill Hicks for service, Heidi Paris for leadership, and Dennis Perreault for CHS teacher of the year.



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Mr. Perreault participated as a mentor teacher in the Civil War Institute at the Gettysburg College Teacher Scholarship Program in June. Principal Robert Manseau was named "2010 Outstanding Role Model" by the New Hampshire Association of School Principals. Heidi Paris was nominated as an "Unsung Hero" in the Saint Michael's College Teacher Recognition Program. The program honors teachers who provide their students with the academic skills and moral support necessary to be successful in post-secondary pursuits. Mrs. Paris was nominated by CHS alumnus Brianna Saunders.

Thanks to grant funding and private donations, Campbell participated for the first time in the FIRST Robotics competition. Team "Potential Energy" consisted of some forty-four CHS students. They built their robot and then competed with teams from near and far in a lively and action packed multiple day event at the Verizon Center in Manchester.

Student achievement remains job number one. We have identified a number of indicators of success. The New England Comprehensive Assessment Program (NECAP) state test scores in combined proficient and proficient with distinction categories declined 7% in reading, but rose 3% in math, 2% in writing and 6% in science. The NECAP science scores exceeded the state average. We want to see similar success in the other portions of the NECAP. Scholastic Aptitude Test (SAT) scores continue to be below the state and national average, except for in "Critical Reading" where CHS exceeds the national average. We hope to make improvements in SAT math and writing. We have started an afterschool SAT Prep course and instituted the SAT "Word of the Week." The course failure rate has remained just under 6% after being at 9% two years ago, and even more encouraging, the freshman English failure rate was again cut in half, from 12% to 6%. In order to support the school district's goal #1 of increasing achievement for **all** students, CHS is using standards based grading practices that are helping more students be successful. The graduation rate for the Class of 2010 improved from 98.4% to 99.2%, and the percentage of students accepted to four and two-year colleges improved from 81% to 84%. Our goal is to see even more students go on to college. Advanced Placement scores in English Literature and Composition and Environmental Science averaged 3.0 with both exceeding the national averages, while United States History averaged 2.58 and Calculus AB averaged 1.83, both below the national average. In Northwest Evaluation Association (NWEA) test results, both ninth and tenth grades exceeded their math growth targets, and while the tenth grade met the reading target, the ninth grade failed to do so.

Our New Hampshire Scholars initiative continues to expand. The program seeks to encourage all students to take a rigorous core curriculum over the four years spent in high school, and brings business leaders into the school to encourage students to acquire the skills and knowledge that will help them in college and careers. Students who complete the program graduate with a New Hampshire Scholars designation on their diploma and transcript, and are eligible to apply for related financial assistance for college. In 2010 there were 63 students enrolled, and 26 graduated as State Scholars. Currently there are 82 students enrolled in the program and 25 seniors to graduate in 2011. We are pleased to see the numbers increase. We would like to send out a special Thank You to New Hampshire Scholars Director Scott Powers and all the local business leaders who have provided support, ongoing activities and incentives for our students: Fred C. Church Insurance, UNH Cooperative Extension, Harvey Construction, Fair Point Communications, BAE Systems, IEEE Institute of Electrical and Electronic Engineers, UNH at Manchester, NH Business Magazine, New England Small Tube Corporation and Focal Point Counseling, irobot.com, Mass College of Pharmacy and Health Science, and Campbell High School staff. Teacher Lesleigh Grant is to be commended for her work with this program. We have recently approved two additional courses for the program. The AP Environmental Science and Honors Anatomy courses are now approved replacements for either Chemistry or Physics, but not both.

After the date of publication of the 2009 Annual Report, the Campbell Recycling Advocacy Project captured the 2009 We Can Make A Difference Challenge Championship. This is a state-wide recycling competition



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sponsored by Wal-Mart. The students each received individual citations. The program also received a state championship trophy, a state championship banner, and a \$1,000 check. In addition, the selection committee presented the program creator and coordinator, Dennis Perreault, with an award recognizing his dedication to this program and its success.

Cassie Baron, Kevin Lesperance, and Dennis Perreault represented Campbell High School at the Inaugural School Recycling Conference in June of 2010. The conference is sponsored by Northeast Resource Recovery Association. The recycling program continued its tradition of awarding the Naczas Family Recycling Prize. The 2010 prize recipients were Steven Ballum, Joshua Borrun, Joshua Brickley, J. Keithen Craig, Justin Curtin, Alex Marks, and Chris Rand.

The Economics of Recycling course and the Campbell Recycling Advocacy Project continues to grow in scope, producing significant savings to the community. In the past twelve months ending in November, 2010, the program expanded to include the collection and sale of chip bags and the baling and sale of corrugated cardboard and steel cans. In the same timeframe, the program has also recycled 3,740 pounds of clear plastic bottles, 420 pounds of milk bottles, an undetermined amount of glass, and over 4,000 pounds of paper.

At the recommendation of Dr. Elaine Cutler, Hannaford Supermarkets donated \$1,000 to the recycling program in recognition of its innovative and successful effort to protect natural resources and preserve local funding.

The school has worked to provide the means for struggling students to succeed. Under the leadership of assistant principal Laurie Rothhaus, the Child Assistance Team (CHAT) continued to help meet the needs of students. This team brings together the expertise of various staff members to create success plans for students. We have had success with students taking additional courses in Londonderry and Nashua adult education night schools. The Student Support Center (SSC), led by teacher Bill Hicks, made an impact in the lives of many students who struggle maintaining consistent effort in their studies. Most students have improved due to daily tutoring and on-going counseling. We have seen improvements in the dropout rate, attendance rate and the number of discipline referrals with students in the SSC. An added feature to the program is the involvement of parents in their son/daughter's education. Mr. Hicks continued parent groups that help parents better understand their adolescent. This has proven to be very successful for parents. Parents were involved in workshops for a two month period and have shown interest in attending more sessions. In addition to working with SSC students, Mr. Hicks continued to train students to be peer mediators and others to be tutors at the elementary and middle schools.

Campbell High School received a grant from the Greater Nashua Coalition for \$10,000 for the second year. Heidi Paris volunteered her time to be the organizer of the Challenge Day Program that was attended by 200 students and staff member. Challenge Day is a national program whose goal is to promote positive change and anti-bullying. The message is "Be a leader" – "Be the change". Jackie Hoey and Rae Tardif started the SADD program once again. The SADD members organized a crashed car display at the front of the school during prom season with anti-drinking messages over the intercom. SADD members were invited to attend the Merrimack Mock Accident in the spring. \$5,000.00 of the grant was used to send LMS 8th grade students to Project Safeguard held at St. Anselms in May. Our SADD members, along with School Resource Officer Corl and athletic director, Dan Kiestlinger, presented at Project Safeguard on Positive Decision Making. Elin Pelland, Chris Ferraro and Laurie Rothhaus received grant funding to attend the CADCA Conference in Phoenix, AZ in July to learn more about prevention programs throughout the United States.

CHS continues to support students with courses taken through the Virtual Learning Academy Charter School (VLACS). VLACS is now the largest high school in New Hampshire and offers tuition free, online courses.



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There are twenty-nine CHS students currently enrolled in VLACS courses. Courses run the gamut from American History to Marine Science. We had eleven students receive credit for their work this past year.

Campbell has continued to create and use formative assessments in many courses in order to better understand the needs of students. We have also continued the streamlining of our math program, this year instituting an Integrated Algebra II course. This course captures the strengths of both integrated and traditional math courses. We use six late arrival days for staff training on differentiated instruction and formative assessment to address accreditation recommendations.

I am indebted to the work of our curriculum facilitators, Shawn Flynn, Meredith Potter, Linda Frost, and Heidi Paris, as well as our librarian/media specialist, Andrea Ange, for their hard work in curriculum documentation. They have worked to document the alignment between CHS core competencies and the state curriculum framework standards. This effort brings greater awareness of the curricular relationship of the two, and better articulates what students are to know and be able to do. CHS has gained approval for the Honors Anatomy and Physiology course as a dual enrollment college credit course at Southern New Hampshire University.

The CHS library media center supports our students as they develop their knowledge of ethical, responsible use of technology tools in a society that relies heavily on knowledge of information in its decision-making. Our librarian, Andrea Ange, was recently awarded a \$5,000 grant for technology from a private foundation for replacement equipment. Working collaboratively with other teachers and UNH Manchester, Mrs. Ange is working on a National Science Foundation grant to support learning with technology in the Litchfield School District.

A wide variety of new Community Education Classes were implemented in the 2009-2010 school year. Quilting, Gardening and Yoga were a sample of the courses offered. We continued to have three sessions, fall, winter and spring.

The Campbell High School Student Council was chosen as a 2010 Honor Council by the New Hampshire Association of Student Councils. In order to receive this honor, members of the Student Council submitted a portfolio that included service, fundraising, spirit, and governmental activities, and pictures for the 2009-2010 academic year. The Campbell Student Council received this distinguished award at the New Hampshire State House on Friday, May 14, and was given a gold plate to add to their Honor Council plaque.

This year was our third annual district "Make A Difference Drive." The Litchfield School District community was able to donate over 4500 items to the Litchfield Food Pantry. All three schools competed to see which school brought in the most food. GMS won the competition for the second year in a row with 1370 food donations to the pantry. It was a very successful event and we were able to stock all the shelves of the Litchfield Food Pantry. We would like to thank the Student Councils, student body and staffs from GMS, LMS and CHS for truly making a difference in our Litchfield community.

Along with the rest of the school district, we continue to use the Alert Now system to communicate with our families via both email and voice mail messages. Our school web site (www.campbellhs.org) continues to serve the community as a ready source of information, thanks to webmaster Andrea Ange.

The CHS Safety committee, under the leadership of Linda Frost, has continued to review and improve current emergency plans. Emphasis has been placed on improving the lockdown procedures, and several practices have already taken place. The committee has also placed a priority on distributing safety information to all concerned in an organized and easily available format. We continue to be grateful to the emergency personnel within



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Litchfield and the surrounding area for their support and assistance in working towards a safe and productive learning environment.

While there is so much to be proud of already at Campbell, there continues to be much room for improvement. The task of seeking high achievement for **all** students remains our constant purpose, and we will continue to focus our attention ever more closely on achievement results.

In closing, I want to thank our administrative assistants, Cheri Pitrone, Christine Ferraro, Melissa Pelletier, Sharon Ford, Dale Arria, Lillian Hamel and Michelle Vecchiarello, as well as our custodians and food service staff for their continuous hard work and dedication. I'd also like to thank the Friends of Music, Athletic Boosters, volunteers Jean White, George and Jean Mack and Phil Reed, and parents who have helped out in a number of ways, for their interest and support.

Finally, I would like to thank Dr. Elaine Cutler, and the SAU staff, for their continuing efforts to support our mission. It is an honor to serve under Dr. Cutler.

Respectfully submitted,

Robert C. Manseau
Principal



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Campbell High School Staff 2010 - 2011

<u>Last Name</u>	<u>First Name</u>	<u>Postion</u>	<u>Grade</u>	<u>Salary</u>
ANGE	ANDREA M	LIBRARIAN	M	\$ 62,892.82
ANGELINI	DIANE B	TEACHER HS MATH	B	\$ 41,884.00
BALLOU	JUSTIN H	TEACHER HS SOCIAL STUDIES	B	\$ 39,020.00
BARRY	PAULA J	TEACHER TECH EDUCATION	B	\$ 36,155.00
BOUTSELIS	MICHAEL	TEACHER HS ENGLISH	B	\$ 33,290.00
BROWN	ERIN E	TEACHER HS ENGLISH	M	\$ 48,185.00
BURNS	AIMEE L	TEACHER HS ENGLISH	B	\$ 47,614.00
CASSILY	SHALEEN A	TEACHER HS ENGLISH	M	\$ 30,882.00
CAWLEY	JESSICA A	TEACHER HEALTH 50%	M	\$ 24,092.50
COBURN	EMILY	READING SPECIALIST 50%	M	\$ 28,064.50
COOPER	NATHAN A	TEACHER HS SOCIAL STUDIES	B	\$ 34,723.00
DELEAULT	JILL E	TEACHER MUSIC	M	\$ 46,542.00
DEMONT	LESLIE	TEACHER FRENCH	B	\$ 40,452.00
DOHERTY	MICHAEL H	TEACHER HS SCIENCE	Ed. D.	\$ 62,560.00
DUNN	LISA A	TEACHER HS SOCIAL STUDIES	M	\$ 38,327.00
FALZARANO	GABRIEL A	DIRECTOR OF HS ATHLETICS 35%	M	\$ 24,279.31
FLYNN	SHAWN P	TEACHER HS MATH	B	\$ 54,843.00
FREEMAN	DENISE M	TEACHER ART	M	\$ 64,060.00
FROST	LINDA	TEACHER HS SCIENCE	B	\$ 60,016.00
GATHERUM	LAURIE A	TEACHER BUSINESS	B	\$ 40,452.00
GINGRAS	DAVID W	TEACHER HS SOCIAL STUDIES	M	\$ 43,256.00
GNAEGY	LYNN	TEACHER FACS	M	\$ 58,042.00
GORMAN	CATHERINE A	TEACHER HS MATH	M	\$ 62,134.00
GRANT	LESLEIGH S	TRANSITIONAL SPECIALIST	M	\$ 58,042.00
HEBERLING	DAIZHA L	TEACHER SPANISH	B	\$ 39,020.00
HICKS	WILLIAM R	STUDENT SUPPORT COUNSELOR	M	\$ 63,510.00
HOEY	JACQUELYN	NURSE	RN	\$ 50,974.92
KEEFE	PATRICK M	TEACHER HS ENGLISH	M	\$ 49,827.00
KIESTLINGER	DANIEL	DIRECTOR OF HS ATHLETICS 65%	B	\$ 46,617.00
MANSEAU	ROBERT	PRINCIPAL	M	\$ 103,050.00
MARTIN	IRENE B	TEACHER HS MATH	M	\$ 54,127.00
MARTIN	PHILIP K	TEACHER MUSIC	M	\$ 63,134.00
MCDONOUGH	SHAWN P	TEACHER COMPUTERS	M	\$ 64,572.00
MITNITSKY	MICHELE A	TEACHER HS SCIENCE	M	\$ 54,756.00
MOWER	CHARLES H	TEACHER TECH EDUCATION 50%	TECH	\$ 18,793.50
NUTE	ELIZABETH M	TEACHER SPANISH	B	\$ 34,723.00
O'KEEFE	MICHAEL D	TEACHER HS SCIENCE	M	\$ 49,827.00
ORBAN	CHESTER J	TEACHER HS SCIENCE	M	\$ 65,010.00
ORTIZ	CAROLYN N	GUIDANCE COUNSELOR 50%	M	\$ 18,342.00
PARIS	HEIDI L	TEACHER HS SOCIAL STUDIES	B	\$ 37,587.00
PARKER	DAWN	TEACHER SPECIAL EDUCATION	B	\$ 40,452.00
PARSONS	JEFFREY W	GUIDANCE COUNSELOR	M	\$ 65,342.82
PERREAULT	DENNIS N	TEACHER HS SOCIAL STUDIES	M	\$ 59,187.00
PETRY	LISA	GUIDANCE DIRECTOR	M	\$ 67,670.00
POTTER	MEREDITH R	TEACHER HS ENGLISH	M	\$ 54,127.00
PREUCEL	JOANNA L	TEACHER SPECIAL EDUCATION	M	\$ 44,899.00
QUINN	PATRICK J	TEACHER HS MATH	B	\$ 49,046.00
ROMEIN	KIRK A	TEACHER ART	B	\$ 44,749.00
ROTHHAUS	LAURIE	ASSISTANT PRINCIPAL	M	\$ 80,937.00
ROYE	PATRICK S	TEACHER SPECIAL EDUCATION	B	\$ 61,016.00
SAWICKI	MARGARET M	TEACHER SPECIAL EDUCATION	B	\$ 44,749.00
SCHRATWIESER	JEANNE M	TEACHER HS SCIENCE	M	\$ 49,068.00
SZEPAN	SHANNON B	TEACHER - PHYSICAL ED	M	\$ 51,470.00
WILBUR	LIANA R	TEACHER HS MATH	B	\$ 34,723.00

Campbell High School Graduation Class of 2010

Mikayla Allain
 James Elliott Amadio
 Steven K. Ballum
 Carly Ban ^
 Nicole Elizabeth Bard
 Marie Diane Bernard
 Joshua Dillon Borrun
 Shelby Bowen
 Lauren E. Branscomb
 Joshua Robert Brickley
 Brianna R. Bullock
 Cheree Lynne Cady
 Lauren Rose Camelio
 Leonard Kiel Christian Canada, Jr.
 Robert H. Cautela ^
 Allison Marissa Caynon
 Kimberly Anne Chaisson !#
 Jonathan Keithen Craig
 Amanda J. Curran ^*
 Justin W. Curtin
 Shelby Grace Davis
 Molly M. Delano ^*
 Jacquelyn Doak
 Ryan Edison Donaghey !#^*
 Kevin P. Driscoll #
 Christopher Michael Dudley
 Alex James Efstratiou
 Jessica Fabiano
 Charnyl Rosemary Figlioli
 Bailey Jessa Finnegan !#^*
 Wesley Allen Fletcher ^*
 Robert A. Frappier
 Jessica Lynn Gee !#^*
 Hannah M. Gómez !#*
 Chelsea E. Greenhalgh
 Taylor Bradford Hall ^
 Matthew G. Harden
 Cameron Michael Harford
 Robert William Harte ^
 Ryan Roger Helie

Maria Grazia Heller
 Shawn Henriquez
 Rebecca M. Howard ^
 Kevin M. Huston
 Laura Nicole Jacobson
 Jeremy M. Johnson ^
 Paul Anthony Johnson
 Samantha Alexandra Jordan
 Joseph Minwoo Kang
 Jordan Elizabeth Kelley
 Elyse N. Killgren ^
 Joseph Edward Krebs
 Brett R. Labrie ^*
 Aubrianne Elizabeth LaDuke !#^*+
 Jacob Michael Lang ^
 Shannon Jane Langtry
 Courtney Jean Lannon
 Carney Nathan Larrabee
 Andrew S. Lavoie
 Gregory A. Lebel
 Jessica Lynn LeBoeuf
 Kaley Christa Letendre #
 Zachary Ryan Littlefield
 Stephanie Marie Loeb +
 Janina Ann Lopez-Carrasco
 Jonathan C. Maldonado
 Joshua Ryan Mandravelis
 Kayla M. Mansfield
 Alexander M. Marks
 Monica Martel
 Alyssa Noelle Martin
 Joshua R. Maurais
 Harry Alexander Mavrogeorge
 Joshua Joseph McGrath
 Ryan Patrick McNally ^
 Zackarey D. J. Miller ^
 Tiffany Noel Murray
 Briana L. Nelson
 David A. Nesbitt
 Alexandria Nicoll #

Caitlin Riordan O'Brien
 Ashley Barbara O'Keefe !#*
 Bonnie Ruth O'Neil
 Evan Patrick Ordway #^*+
 Dominic E. Pace
 Charles Christopher Palma
 Thomas B. Philbrook
 Jessica Lynn Pinault
 Valerie Ann Plunkett
 Shauna Leigh Poirier
 Geoffrey M. Pomerleau
 Ashley N. Prindle !#^*+
 Aja Katara Putney
 Patrick James Queenan ^*
 Kyle Robert Quigley
 Christopher James Rand
 Kara Elizabeth Reid !#^
 Christopher M. Rhodes
 Matthew Scott Roberge
 Aaron D. Rodrigue
 Matthew T. Ryan
 Drustin R. Sabin
 Brianna Marie Saunders !#^*
 Christopher Alan Schofield
 Katherine Mowery Schultz ^
 Felicia Marie Scott ^
 Caitlyn Joy Shafer
 Taylor Faith Shafer
 Joshua A. Sigman
 Samantha J. Smith
 Travis Joseph Soucy
 Spencer Marc Soulard
 Alyson Victoria Stapleton ^+
 Courtney Michelle Starrett *
 Erin Kate Sweeney
 Britney L. Szekley
 Grace Maureen Tollick
 Lawrence M. Viola
 Rebekah Weiss *
 Mishele White

Valedictorian – Hannah Gómez

Salutatorian – Aubrianne LaDuke

! Top Ten ^ New Hampshire Scholars * National Honor Society + Student Council

Academic Excellence Honors

2010 – 2011 LITCHFIELD SCHOOL DISTRICT CALENDAR

16	Administrative Retreat
17	New Teacher Workshop
24 - 26	Teacher Workshop
30	1st Day of School
<u>2 Days</u>	

AUGUST 2010				
M	T	W	Th	F
2	3	4	5	6
9	10	11	12	13
16	17	18	19	20
23	24	25	26	27
30	31			

FEBRUARY 2011				
M	T	W	Th	F
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28				

10 Delayed Opening only for CHS
Students - 9:35 am

21 - 25 Winter Recess - NS

15 Days

3	Friday Before Labor Day - NS
6	Labor Day - NS
22	Delayed Opening only for CHS Students - 9:35 am
<u>20 Days</u>	

SEPTEMBER 2010				
M	T	W	Th	F
		1	2	3
6	7	8	9	10
13	14	15	16	17
20	21	22	23	24
27	28	29	30	

MARCH 2011				
M	T	W	Th	F
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28	29	30	31	

16 Delayed Opening only for CHS
Students - 9:35 am

23 Teacher Workshop - NS

22 Days

11	Columbus Day - NS
27	Delayed Opening only for CHS Students - 9:35 am
<u>20 Days</u>	

OCTOBER 2010				
M	T	W	Th	F
				1
4	5	6	7	8
11	12	13	14	15
18	19	20	21	22
25	26	27	28	29

APRIL 2011				
M	T	W	Th	F
				1
4	5	6	7	8
11	12	13	14	15
18	19	20	21	22
25	26	27	28	29

13 Delayed Opening only for CHS
Students - 9:35 am

4/25 - 4/29 Spring Recess - NS

16 Days

11	Veterans Day - NS
19	Parent/Teacher Conf. - NS
24-26	Thanksgiving Recess - NS
<u>17 Days</u>	

NOVEMBER 2010				
M	T	W	Th	F
1	2	3	4	5
8	9	10	11	12
15	16	17	18	19
22	23	24	25	26
29	30			

MAY 2011				
M	T	W	Th	F
2	3	4	5	6
9	10	11	12	13
16	17	18	19	20
23	24	25	26	27
30	31			

30 Memorial Day - NS
(Observed)21 Days

8	Delayed Opening only for CHS Students - 9:35 am
12/24 - 12/31	Holiday Recess - NS
<u>17 Days</u>	

DECEMBER 2010				
M	T	W	Th	F
		1	2	3
6	7	8	9	10
13	14	15	16	17
20	21	22	23	24
27	28	29	30	31

JUNE 2011				
M	T	W	Th	F
		1	2	3
6	7	8	9	10
13	14	15	16	17
20	21	22	23	24
27	28	29	30	

10 Graduation (Tentative)
14 Last Day of School
For Students (Tentative)
15 Teacher Workshop - NS
20 Last Day if 4 snow days
Occur10 Days

17	Martin Luther King, Jr. Day - NS
<u>20 Days</u>	

JANUARY 2011				
M	T	W	Th	F
3	4	5	6	7
10	11	12	13	14
17	18	19	20	21
24	25	26	27	28
31				

NOTES:

Shaded Days and NS = No School

☒ = Delayed Opening only for CHS students - 9:35 am startSnow days will be made up at end of school year (June)SEPT thru JAN - 96 DAYS FEB thru JUNE - 84 DAYS
180 Total Student School Days - 190 School, Snow & TW DaysPlease Mark Your Calendar:Tentative Date Deliberative Session February 5, 2011 - 2 pm
Voting Day March 8, 2011

LITCHFIELD SCHOOL DISTRICT

ENROLLMENT - PROJECTIONS ELEMENTARY

Grade	Enrolled October 1, 2009	Enrolled October 1, 2010	Projected September 2011
Pre	21	25	25
Kindergarten	60	77	80
1	107	105	99
2	102	110	104
3	109	109	116
4	130	110	111
Total	529	536	535

ENROLLMENT - PROJECTIONS MIDDLE SCHOOL

Grade	Enrolled October 1, 2009	Enrolled October 1, 2010	Projected September 2011
5	103	132	113
6	152	107	137
7	133	154	107
8	130	131	152
Total	518	524	509

ENROLLMENT - PROJECTIONS HIGH SCHOOL

Grade	Enrolled October 1, 2009	Enrolled October 1, 2010	Projected September 2011
9	150	126	133
10	134	135	113
11	142	122	127
12	124	139	119
Total	550	522	492

Combined
Totals

1597

1582

1536

**LITCHFIELD SCHOOL DISTRICT
DELIBERATIVE SESSION
February 6, 2010
The State of New Hampshire**

Time, Place: The meeting was called to order at 2:00 p.m. in the Campbell High School Auditorium.

Present: Moderator, Mr. John G. Regan, presiding.

School Board members: Mr. Dennis Miller, Chair; Mr. Ralph Boehm, Vice Chair; Mrs. Cynthia Couture; Mr. Jason Guerrette; and Mrs. Pat Jewett (Board Member and Selectwoman).

Dr. Elaine Cutler, Superintendent of Schools; Mr. Stephen Martin, Business Administrator; Dr. Ronda Gregg, Director of Special Services; Amanda Lecaroz, Director of Curriculum & Instruction; Michele E. Flynn, School Board Administrative Assistant; Mr. Rob Demaine, IT Technician; Ms. Lynn Baddeley, School District Clerk; Gordon Graham, Attorney for the District.

Mr. Robert Manseau, Campbell High School Principal; Mr. Tom Lecklider Litchfield Middle School Principal; Mr. Martin ("Bo") Schlichter, Griffin Memorial School Principal.

Budget Committee members: Mr. John Harte, Vice Chair; Mr. Paul Parker; Mr. Mike Falzone, Mr. William Spencer; Mr. Ray Peebles, Mr. George Lambert, (Selectmen's Representative).

Ballot clerks: Ms. Bertha Mieckowski, Mrs. Joan McKibben.

Mr. Regan invited members to join him in the Pledge of Allegiance.

Mr. Regan introduced Mr. Phil Reed, Vice Moderator, and reviewed the Moderator's rules and protocol for the Deliberative Session according to state law.

Mr. Regan introduced Mr. Dennis Miller, School Board Chair. Mr. Miller introduced School Board members, SAU staff, and attorney.

Mr. Regan introduced Mr. John Harte, Vice Chairman of the Budget Committee. Mr. Harte introduced Budget Committee members.

Note: The order of business of the Deliberative Session is sometimes conducted out of the warrant articles' numeric sequence. Recording activity in chronological order would make the minutes difficult to follow; therefore, the articles will be listed, with action taken thereon, in the order in which they were listed on the warrant.

Mr. Regan read Article A.

ARTICLE A.

To elect by ballot the following School District Officers:

School Board Member

3-Year Term

School Board Member

3-Year Term

The Moderator opened discussion of Article A.

Hearing no discussion, **Article A stands as written.**

Mr. Regan read Article 1 and indicated that Mr. Miller would speak to the article.

ARTICLE 1

Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling Twenty Million, Five Hundred Thirty-One Thousand, Eight Hundred Seventy-One dollars (\$20,531,871)? Should the article be defeated, the default budget shall be Twenty Million, Eight Hundred Sixty-Four Thousand, Two Hundred Eleven dollars (\$20,864,211), which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

This article was recommended by the School Board by a vote of 3-2-0, and by the Budget Committee by a vote of 8-0-0.

Mr. Miller thanked School Board members, Budget Committee members and school district Administrators for their work during the budget process. Mr. Miller deferred to Mr. Martin to speak to the budget.

Mr. Martin explained the budget development process. He indicated that the Superintendent requested a level-funded budget. The Administrative Team made initial recommended reductions with prioritization. The Superintendent and the Administrative Team then prioritized their requests and make second level adjustments to the budget. The School Board made final adjustments and approved the proposed budget for Budget Committee consideration. The Budget Committee is responsible for recommending the budget amount to be placed on the warrant. The School Board will approve final allocations after the March vote. Mr. Martin explained that the Default Budget is created for the School Board and approved by the Board. The Budget Committee is not involved in the Default process.

Article 1 represents the total District operating budget for the 2010-2011 fiscal year and that it includes general fund, food service, and grant fund budgets.

Mr. Martin explained that he would present a budget summary, the School Board proposed operating budget with major factors impacting district needs, the Budget Committee's recommended budget, the Budget Committee's reductions, estimated revenues and

appropriations, and tax rate impact. He added that all presentations and budget handouts are available on the District website at www.litchfieldsd.org/finance/documents/2011budget.pdf.

The total FY11 budget on the ballot is the Budget Committee's recommended budget of \$20,531,871, which includes the general operating fund, food services fund, and the grants fund. Mr. Martin noted that the budget does not include increases from the proposed LEA contract or the warrant article relative to the Special Education Capital Reserve Fund. The total FY11 proposed School Board budget [with the inclusion of the two warrant articles] reflects a reduction of \$109,045. Mr. Martin pointed out that the School Board recommended over one million dollars of reductions in order to present a budget decrease to the Budget Committee. The total FY11 recommended Budget Committee budget reflects a reduction of \$463,739. The FY11 Default Budget totals \$20,864,211 and reflects an increase of \$86,575 over the recommended budget. Mr. Martin explained that the Default Budget increase is greatly impacted by ARRA grant funds.

Mr. Martin highlighted major impacts to the School Board FY11 proposed operating budget:

- Health Insurance Rate Increase (\$327,987)
- Special Education Out of District Tuition (\$293,200)
- NH Retirement Rate Increase (\$88,654)
- Campbell Track Surface Replacement (\$80,000)
- Special Education Transportation (\$51,934)
- Existing Non-LEA Staff Salary & Payroll Benefit Increases (\$49,528)
- GMS Additional ADA Bathrooms Required by NH DOE & Litchfield Health Inspector for School Approval (\$49,000)
- Self-Funded Programs (offset by revenues) (\$24,810)
- Replacement Textbooks (English curriculum review) (\$20,284)
- Dental Insurance Rate Increase (\$17,931)
- LEA Grade Change Salary & Benefit Increase (\$16,715)

Total major increases: \$1,020,043.

Mr. Martin highlighted major reductions to the School Board FY11 proposed operating budget:

- Staff Reductions (\$249,789)
 - One 4th grade teacher driven by student population,
 - Part time special education teacher,
 - CHS special education teacher,
 - Reduction of 6th period classes (student driven),
 - Curriculum director reduced to part time,
 - Payroll coordinator reduced to part time.
- Kindergarten Site Preparation & Startup Expenses (\$133,748)
- Fuel Oil, Propane, & Fuel (\$80,025)
- Computer Equipment (67,396)
- Supplies (\$62,662)
- Special Education Capital Reserve Fund (\$50,000)
- GMS Safety Repairs Required by Fire Department & Building Inspector (\$48,000)
- Interest Expense (\$42,000)

- Data Communications & Telephone (\$38,909)
- Vocational Education Transportation (\$31,935)
- Special Education Professional Services (\$30,850)
- Computer Software (\$25,639)
- Workers Compensation Insurance (\$18,483)
- Travel (\$14,735)
- All Other Accounts (\$234,917)

Mr. Martin reviewed the FY11 recommended budget briefly by object account. He explained that object accounts are used to describe the services or commodities obtained as a result of the specific expenditure.

Mr. Martin indicated that there are only two object accounts that are above the FY10 budget: Benefits and Other Services. Benefits increased \$355,667, which is totally driven by an increased cost in health insurance and an increase in the teachers' retirement rate. Other Services increased \$251,223, which includes special education out of district tuition and transportation.

Mr. Martin reviewed the FY11 recommended budget briefly by function account. He explained that function accounts are used to describe the activity for which a service or expense is used.

Mr. Martin highlighted increases and decreases in function accounts:

Decreases:

- Regular Programs (\$16,091)
- Vocational Programs (\$7,032)
- Other Programs (\$9,819)
- Instructional Staff Services (\$125,834)
- Business & Finance (\$10,887)
- Operation & Maintenance of Plan (\$67,668)
- Central Support Services (\$6,100)
- Debt Service & Capital Reserves (\$92,000)

Increases: (Note: Many function increases are driven by circumstances that are beyond the Board's control)

- Special Programs (\$113,270), which is driven by out of district tuition and transportation
- Self-Funded Programs (\$24,810), which are offset by revenue
- Adult & Community Programs (\$1,975)
- Student Support Services (\$302)
- SAU, District, & School Board (\$23,428)
- School Administration (\$26,275)
- Student Transportation (\$19,302)
- Facilities Acquisition & Construction (\$17,025)

Mr. Martin provided an overview of Other Programs (function account). He indicated that 99.72% of the Other Programs function account is made up of Athletics/Co-curricular.

However, transportation for athletics/co-curricular and field trips is included in the Student Transportation account. The total proposed budget for Athletics/Co-curricular is \$523,742. Mr. Martin pointed out that there has been no increase to Athletics/Co-curricular for the past two years. He also mentioned that no increases in the proposed LEA contract will impact the Athletics/Co-curricular budget.

Mr. Martin noted that during this year's budget development process, Budget Committee members requested the budget be presented by location account. He explained that location accounts are used to describe the physical location where the activity or cost is used or expensed (i.e. GMS, LMS, District). Mr. Martin provided a location account breakdown of the FY11 general fund budget:

- District-wide 23%
- CHS 28%
- LMS 22%
- GMS 22%
- SAU 4%
- School Board 1%

Mr. Martin reviewed the Budget Committee's reductions to the School Board budget. These reductions included:

GMS:

- Regular Education Teacher Salaries (\$32,403.66)
- Regular Education Paraprofessionals Salaries (\$2,934.68)
- Guidance Services (\$771.85)
- Custodial Supplies (\$3,405)
- Technology Repairs (\$800)

CHS

- RM Frameworks Software (at CHS request) (\$1,000)
- Athletic Trainer (\$4,260)
- Game Officials (\$3,386)
- Track Repair (cut at the School Board's request) (\$80,000)*

*The School Board requested the track repair be removed and replaced with a geotechnical study (cost of \$10,000) to determine the actual cause of the track's damage. Mr. Martin indicated that it is clear that a water problem is causing the damage; however, it would be prudent to determine the type of water problem and find a resolution before replacing the track.

District-wide

- Special Services Professional Services (\$6,750)
- Handicapped Tuition (\$69,000)
- Co-curricular/Athletic Salaries (\$10,000)
- Course Reimbursement – LEA (\$4,000)
- Special Education Transportation (\$42,000)
- Business Professional Services (\$349)
- Health Insurance (\$55,473.75)
- Social Security (\$11,805.12)

SAU

- Superintendent Repairs (\$300)
- Superintendent Leases (\$1,171)
- Business Supplies (\$700)
- Human Resources Professional Services (\$500)

School Board

- Polling Staff (\$600)
- General Reductions (\$33,084)

Total Reductions \$354,694.06.

Mr. Martin indicated that the total FY11 recommended operating budget will result in an \$0.11 decrease on the tax rate. In addition, the cost of the proposed LEA contract will result in an \$0.18 increase on the tax rate and the proposed addition to the Special Education Capital Reserve fund will result in a \$.05 increase on the tax rate, if approved by the voters.

Mr. Martin briefly reviewed estimated FY11 revenues indicating that there would be a decrease in School Building Aid, Kindergarten Aid (site prep), Catastrophic Aid, and State Education Taxes. He also noted that there is a small increase in the Adequacy Aid grant of \$22,520. Federal revenues increased \$235,000, impacted largely by ARRA funds. Mr. Martin noted that a decrease in discretionary spending (requested by the Superintendent) may result in a \$372,557 fund balance to reduce taxes.

Mr. Martin reviewed estimated savings to property taxes. He indicated that if the Budget Committee's FY11 recommended operating budget, the proposed LEA contract, and the proposed addition to the Special Education Capital Reserve fund are approved by the voters, the property tax impact will approximately \$12 annually for home valued at \$300,000 and \$16 annually for a home valued at \$400,000.

The Moderator invited the community to comment on Article 1.

Sue Seabrook, 18 Bear Run Drive, queried about the reduction in 6th period classes. She asked if it impacts the students who may want to take extra courses and if the reduction will be offset so they are able to take the extra courses.

Mr. Miller indicated that 6th period classes are not being eliminated, but a reduction in salaries will cause a reduction in the number of 6th period courses that are offered.

Mrs. Seabrook asked how that would not effect the number of classes that are available to students.

Mr. Manseau, Principal, CHS, indicated that currently CHS offers 11 6th period classes. The reduction will bring the total to 5. He noted that the class sizes will have to increase to accommodate students who want to take the extra courses.

George Lambert, 3 Lydston Lane, queried about a \$50,000 line item for GMS roof repairs. He indicated that there is no plan for the money. He also queried about a \$28,000 line item for GMS

lighting upgrades and asked why the District does not participate in the PSNH lighting upgrade and savings plan (as does the Town).

Mr. Martin indicated that, in reference to the GMS roof, the District does not have a roof report. Core samples were taken by the vendor with a quote from the vendor. Mr. Martin indicated that vendors will not supply a roof report unless they are paid contrary to a previous suggestion that vendors will prepare a roof report for free.

Mr. Martin responded to Mr. Lambert's question about the GMS lighting upgrade. He explained that the upgrade is required by the NH DOE for school approval (accreditation). The Board presented a five year lighting upgrade plan to the NH DOE. Upon approval from the NH DOE, Mr. Lynch, Town Building/Health Inspector, was required to approve the lighting upgrade for a certain number of rooms over five years. Mr. Martin indicated that he has not yet looked into the PSNH plan. Currently, the District is a member of an energy consultant group, which goes out to bid each year to utility providers. Mr. Martin pointed out that if the Board accepted the plan offered through PSNH, savings are not guaranteed and the District will still be required to replace the lighting or violate school approvals compliance.

Mr. Miller spoke to the GMS roof. He explained that the area of the roof that is currently affected is over the Main Office and the Pre-K classrooms.

Mr. Lambert asked why there is no roof plan.

Mr. Miller indicated that the District will acquire three quotes for the roof repairs, however, vendors expect to be paid when providing a roof report.

Dr. Cutler spoke to the GMS lighting. She indicated that she was not comfortable with a reduction to the GMS lighting line item. She explained that the District will certainly try to find a cost lower than \$28,000 for the lighting upgrade; however, whether the lighting is provided for free or not, we have to replace it in compliance with the plan presented to and approved by the NH DOE.

Mr. Lambert made a motion to reduce the FY11 recommended operating budget by \$50,000 for the GMS roof repairs.

Patricia D'Alleva, 15 Cutler Road seconded the motion.

Mr. Lambert indicated that there may be a leak in the roof, but the entire scope of work is unknown. He believes that a solution should be determined with a roof plan before putting money in the budget to repair the roof.

Mr. Kam Mun, 5 Reid Lane, asked if the money is cut from the budget how can the roof be repaired?

Jason Guerrette, 11 Perry Court, commented that until an actual roof report is done, the actual damage is unknown, as well as the cost of repairs. He indicated that a vendor will take a core

sample and charge \$1500 - \$2000 for a roof report, although in his experience there has never been a fee. Mr. Guerrette commented that multiple quotes from vendors will not guarantee that a vendor will actually repair the roof. He added that good maintenance says perform proper investigation and then make repairs.

Monica Gannon, Martin Lane, indicated that the safety of the children is the main concern. She commented that it is better to spend the money to repair the roof than have tiles fall down on the children in the classrooms.

Mr. Guerrette indicated this is not a child safety issue. He commented that when there is a leak in the roof, you effectuate repair. A new roof will not prevent leaks from happening.

Sue Seabrook, 18 Bear Run Drive, commented that she is the nurse at GMS and she has watched ceiling tiles fall every time there is a thaw. She queried if there was a fund that can be used to repair the roof if the motion passes.

Mr. Miller indicated that there is a \$50,000 Maintenance Reserve fund that was established in 2004 and can be used if necessary.

Keri Douglas, 9 Pheasant Street, asked what will happen if the cost to repair the roof exceeds \$50,000.

Mr. Miller indicated that if the cost exceeds the budgeted amount, the Board can either find the difference in the budget, carry the money over to the next year (and budget additional funds), or put the roof repairs on a warrant article.

Mrs. Douglas queried how the options are determined. She indicated that she has had experience with similar issues and there are always problems that occur. She commented that if the extent of the repairs is unknown, it would make sense to have a roof report

Mr. Miller indicated that the current vendor indicated that he will no longer patch the roof as it is creating more damage. He commented that if the roof repair cost results in a higher cost, the previous options he mentioned may apply. He added that if the work is critical, the maintenance reserve fund can be used. Mr. Miller noted that the Board needs to have a quote for budget purposes for a decision to be made.

Maureen Sherwin, 29 Century Lane, indicated that in the past years as a teacher at GMS, she has witnessed ceiling tiles fall while students are in her classroom. She commented that this year she is in a different room and there are buckets inside and outside of the classroom collecting water from leaks in the roof. Ms. Sherwin stated that the roof needs to be repaired for safety to the children.

Mr. William Spencer, 9 Cranberry Lane, made a motion to call the question. The motion was seconded. The motion passed by voice vote.

The Moderator repeated the main motion by Mr. Lambert to amend the budget from \$20,531,871 to \$20,481,871.

The motion failed by voice vote.

Mr. William Spencer, 9 Cranberry Lane, commented that the Board recommended the budget with a vote of 3-2-0. He queried if Board members were comfortable with the recommended budget if it is approved by the voters.

Mr. Miller acknowledged that the Board vote to recommend the budget was accurate. He commented that while he personally did not agree with all the reductions made to the budget, he believes the budget can meet the District's needs. He deferred to the Superintendent and the Business Administrator.

Dr. Cutler commented that the budget is very lean and she would be uncomfortable if further reductions to the budget were made. She explained that the Board and Administrative Team worked very hard to protect the teachers and classroom management in developing the budget. Dr. Cutler indicated that most of the reductions were to building maintenance and repair and the most important purpose was to preserve the student to teacher ratio. She felt comfortable with the recommended budget and pointed out that she believes that the Litchfield School District has presented the lowest budget in the region. She added that nothing new has been added to the budget and is pleased with the School Board and Budget Committee collaboration on the budget. Dr. Cutler emphasized that she is comfortable with the budget so long as there are no further reductions.

Mr. Martin commented that the biggest risk in budget reductions is in health insurance. He noted that if the LEA contract is approved it will result in a less expensive health plan. He indicated that he is comfortable with the budget as presented. Mr. Martin commented that most of the reductions made were based on historical spending. He added that if the District does not expend the total budget at the end of the year, the remainder is returned to reduce the tax rate. In addition, if there are no unanticipated emergencies, the District can live with the budget.

Mr. Kam Mun, 5 Reid Lane, commented that we have a proud track team and he queried why the money to replace the track was removed from the budget. He also asked if the study determines the root cause of the damage to the track, will the track be returned to its original condition.

Mr. Miller indicated that the Board requested the reduction and recommended \$10,000 for the geotechnical study. The original budget request of \$80,000 was to replace the entire track and the rubber layer. There is a potential water problem. Mr. Miller commented that it is hopeful that the damaged areas can be patched and that the study will determine the actual cause.

Mr. Mun queried if the track team would be able to use the track if patching is successful.

Miller explained that three days with a consistent temperature of 68 degrees is necessary to repair the track before the season opens. He indicated that options to repair the track relative to the outside temperature are being discussed. Mr. Miller commented that everything is being

done to make the track usable, but there are no guarantees. In addition, the track team is making preparations for "away" meets.

Mr. Spencer (speaking as a Budget Committee member) clarified that the moisture problem is not limited to the track. He indicated that the multi-purpose room at CHS is also affected. He noted that it is important to find the root cause and mitigate the problem. Mr. Spencer indicated that the issue is that the problem has to be solved. He added that when the Board determines a solution it will be brought to the voters.

Mr. Mun, 5 Reid Lane, asked for clarification on the reduction relative to the Athletic Trainer.

Mr. Spencer indicated that the Athletic Trainer's hours have not been reduced. The reduction was based on a historical under spend. He noted that the Budget Committee level funded the line item as there has been no increase in his contracted wages.

Mr. Miller clarified that the Athletic Trainer is contracted and not an employee of the District.

Mr. Guerrette, 11 Perry Court, commented on the GMS lighting line item. He noted that the District spent \$28,000 last year to upgrade lighting and is doing the same this year. Mr. Guerrette stated that included in the PSNH program is a lighting survey, upgrade the lighting, and guarantee a 40% savings. This can be done with no up-front costs and in less time than over five years. He indicated that the Board of Selectmen have contacted PSNH relative to the lighting program. Mr. Guerrette added that if the District realizes no savings from the program, PSNH will assume the costs.

Mr. Guerrette made a motion to reduce the FY11 recommended budget by \$28,000 for the GMS lighting upgrade.

Nick D'Alleva, 15 Cutler Road, seconded.

Mr. Miller commented that the program does not guarantee reduced electric rates. The District pays a percentage to PSNH to cover the cost of the lights. Mr. Miller indicated that the District goes out to bid for all utilities and agrees to contract with the lowest bidder. He added that if we agreed to contract with PSNH we could be locked into a higher rate than if we went out to bid. In addition, if we entered the lighting upgrade program with PSNH and did not buy our electricity from them, it would create a problem.

Mr. Guerrette indicated that most towns have the same issue. He commented that PSNH does guarantee savings and the program is successful.

The Moderator asked for further discussion. Hearing none, he repeated the main motion by Mr. Guerrette to amend the budget from \$20,531,871 to \$20,503,871.

The motion failed by voice vote.

There were no further amendments or discussion, **Article 1 stands as written.**

Mr. Miller made a motion to restrict reconsideration of Article 1. Mr. Karl Franck seconded. The motion passed by voice vote.

The Moderator announced a short intermission for other business.

Mr. Miller thanked all in attendance and those at home who volunteer in the District. He announced that there are two open seats on the Board this year. Mrs. Jewett is not seeking re-election. Mr. Miller commented that Mrs. Jewett has been an educator for many years. Mrs. Jewett served on the Nashua School Board from 1961 to 1969. She served on the Litchfield School Board from 2004 to 2010. She was on the 275th Anniversary Committee, served on the Budget Committee and is a current Selectwoman. Mr. Miller presented Mrs. Jewett with an award on behalf of the Litchfield School District in honor of her years of service to the town and school district of Litchfield.

Mrs. Jewett thanked everyone for honoring her. She commented that it has been an interesting challenge to serve on the School Board and many other committees. She added that she has enjoyed her years of service.

Mr. Miller announced that Amanda Lecaroz, Director of Curriculum & Instruction, has accepted a position as the Assistant Superintendent in the Windham School District. He congratulated her on her achievement.

Mr. Miller announced that the Board met in non-public session on February 3 to discuss the status of the superintendent candidate search status. Originally, there were three candidates. Two have withdrawn their candidacy with one candidate remaining. After much discussion, the Board decided to postpone the search process. A major contributing factor to the Board's decision was the offer from Litchfield's current Superintendent, Dr. Cutler, to rescind her resignation due to life changes. Mr. Miller announced that Dr. Cutler will remain as Superintendent of the Litchfield School district for at least the next year.

Dr. Cutler addressed the audience expressing her gratitude for the outpouring of support she has received during this difficult time in her life. She spoke highly of the professionals and staff in the District and of the community at large. Dr. Cutler indicated that she was thankful to the School Board for the opportunity to continue to serve the District. She expressed thanks for the support and compassion of the community.

The Moderator closed the intermission. Mr. Regan read Article 2.

ARTICLE 2

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association which calls for the following increases in salaries and benefits:

<i>Year</i>	<i>Estimated Increase</i>
<i>2009-2010</i>	<i>\$ 0.00</i>
<i>2010-2011</i>	<i>\$ 171,630.00</i>
<i>2011-2012</i>	<i>\$ 232,763.00</i>

and further to raise and appropriate the sum of One Hundred Seventy-One Thousand, Six Hundred Thirty dollars (\$171,630.00) for the 2010-2011 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels in accordance with the most recent collective bargaining agreement.

Pursuant to RSA 273-A:12, VII, if approved, the terms of this collective bargaining agreement, including the pay plan, but excluding cost of living increases, will continue in force and effect until a new agreement is executed.

This article was recommended by the School Board by a vote of 4-1-0, and by the Budget Committee by a vote of 7-0-0.

The proposed three-year teacher contract has been ratified by both the Litchfield School District and the Litchfield Education Association. The Budget Committee supports this warrant article.

This is a three-year contract starting with the current school year.

- *For the current school year there are no step increases or cost of living adjustment (COLA) increases.*
- *For 2010-2011:*
 - *there is no COLA,*
 - *69% of the teachers will get step increases of between 3%-4% depending on the numbers of years they have taught,*
 - *31% of the teachers at the top of their salary table in 2010 will receive a one-time salary adjustment of \$950.*
- *For 2011-2012:*
 - *salary schedules are increased by a 1% COLA,*
 - *65% of the teachers will get step increases of between 2.76% - 4.48% depending on their placement in the schedule,*
 - *35% of the teachers at the top of their salary table will receive a one-time salary adjustment of \$600. This payment is NOT in addition to the \$950 they may have received the previous year.*
- *The Evergreen Law will take effect. If a new contract is not reached for 2012-2013 school year, the salary schedules and step increases will remain in effect. Salaries for teachers at the top of the salary schedule will be frozen, but teachers not at the top will continue to receive step increases. COLA and top step adjustments are not part of the pay plan and would not extend beyond this contract. This is a change from the current process.*
- *Health care plans have been changed to a new pharmaceutical plan (\$10/\$20/\$45), which will result in a first year savings to the District of \$58,000. This savings is slightly offset by a \$5,000 prescription reimbursement account to be administered by the Litchfield Education Association.*
- *Language has been added to protect the District from the new NH Retirement 125% penalty on future retirement severance packages. Potential costs under 125 rules could run between \$0 and \$56,000 per teacher.*
- *There is no increase in costs for co-curricular stipends, athletic stipends, course reimbursement and teacher workshops.*
- *Work year reduced from 187 to 186 days.*

Mr. Miller spoke to the article explaining that the contract is the result of a long negotiation process during which he and Mr. Boehm served on a negotiation committee. He noted that the Board's desire was to minimize the cost to the taxpayers, reduce health insurance costs to the District, and maintain competitive salaries to maintain teacher base. Several options were discussed. The end result was that salary schedules would be not be adjusted at all for the first year with no step increase; no adjustment to the schedules for the second year, but includes a step increase for those not on the top step, with a one-time \$950 payment for those at the top step; a 1% adjustment to the schedules for the third year, plus step increases that range from 2.76% to 4.48%, and a one-time payment of \$600 for those at the top step. The contract was ratified and contains no retroactive wages.

Mr. Miller further stated that there will be no increase in co-curricular and athletic stipends over the three years. Board members and the LEA will study the allocation of the stipends. The lower cost health plan reflects increased prescription copays. A \$5000 prescription reimbursement fund will be allocated, which the LEA will manage. Unused funds are not carried over to the following year and are retained by the district. There is no increase in the LEA member professional development dollars over the three years.

Mr. Miller indicated that the contract contains a clause that protects the District from the NH Retirement 125% rule that could require a penalty on some future retirement severance packages. Mr. Miller noted that the Evergreen Clause is in effect, which means that step increases will continue to be paid using the 2011-12 schedules if the approved agreement expires without a follow on agreement. COLA and top step payments are not part of the pay plan and would not go beyond the new contract date.

Mr. Miller noted that the net cost to the District for 2010-11 is \$171,630 with a \$58,000 savings in health insurance. The cost to the District for 2011-12 is \$232,763. The savings in health insurance will compound each year.

Mr. Schlichter spoke to the article. He commented that as a principal he does not participate in negotiations. He recognized both parties for their collaboration, noting they were cognizant of the economic situation. Mr. Schlichter believes that a modest contract is being presented and it sends a message to our teaching staff. He noted that the staff has done an outstanding job with our students as is indicative of the recent assessment scores. Mr. Schlichter commented that student achievement has been outstanding in Litchfield and our teachers foster a welcoming climate for our students. He also noted that there is a low teacher turnover in the District and it is important for our town to say thank you to our teachers.

Maureen Sherwin, 29 Century Lane, commented that GMS is a wonderful place to work. The teachers and administrative staff are excellent. She noted that irrespective of money, the children's education is her reward.

The Moderator opened the floor to discussion of the article.

There were no further amendments or discussion, **Article 2 stands as written.**

Mr. Regan read Article 3.

ARTICLE 3

Shall the Litchfield School District raise and appropriate up to Fifty Thousand dollars (\$50,000.00) to the Capital Reserve Fund for educating educationally disabled children established in 2004 and authorize the use of that amount from the June 30 unreserved fund balance (surplus) available for transfer on July 1 of this year?

This article is recommended by the School Board by a vote of 4-1-0, and not recommended by the Budget Committee by a vote of 7-1-0.

Costs related to special education are often unanticipated. The current fund balance is approximately \$102,000, from which the district may need to cover some current year unexpected special education costs. This reserve fund can be used to offset the costs associated with unexpected special education expenses.

Mr. Miller spoke to the article. He indicated that the Board is not requesting an increase to next year's budget. We are requesting approval to add up to \$50,000 from any funds not spent by June 30, 2010 to the existing special education capital reserve fund. These funds may be used to cover any unanticipated educational costs for a special education student that is not included in the approved budget. Out-of-district placements can cost in excess of \$100,000. The current balance is \$102,000. Mr. Miller noted that there is no Board control over the amount to be transferred into the fund if the article is approved. Funds can be used to cover any unbudgeted costs for special education students. Mr. Miller explained that the District is required by law to pay for all special education costs, regardless if the article is approved. He noted that even if the special education budget were amended to zero, the District is still required by law to pay for all special education costs. Mr. Miller also pointed out that the proposed special education budget was reduced by over \$100,000 based on historical under spend as the Board returns any monies remaining at the end of every year.

The Moderator opened the floor for discussion.

William Barrett, 53 Pilgrim Drive, asked Budget Committee members why they did not recommend the article.

John Harte, Budget Committee Vice Chair, indicated that he voted not to recommend the article because there is currently \$102,000 in the reserve fund balance. He noted that there is a historic under spend in the account. Mr. Harte acknowledged that the Board informed the Budget Committee that this would be a difficult year for special education. However, the Budget Committee is certain that the reserve fund will meet their needs.

Sue Seabrook, 18 Bear Run Drive, asked for clarification that there would be a deficit at the end of the year.

Mr. Miller clarified that a student moved into the District and was identified as an out of district placement, which was an unanticipated cost to special education.

Mrs. Seabrook queried if the reserve fund would be available at the end of the year. Mr. Miller indicated that if it is available the Board would decide on its use.

Mr. Spencer commented that the current shortfall in special education is \$32,000 because the District moved money to cover the cost of the out of district placement. He indicated that the general fund year end forecast is estimated at \$200,000, which should cover the cost.

Mr. Miller indicated that there is an over spend in the current special education budget and that the \$200,000 forecast is an estimate.

Mr. Spencer commented that when the Budget Committee reviewed the special education budget and the tuition aid account members were told that the deficit was only \$32,000 because money was moved to cover the cost of the over spend.

Mr. Miller indicated that the Budget Committee was not told there was a deficit, but that there was an over spend.

Robin Corbeil, 4 Nesmith Court, commented that she would rather have the money in the reserve fund in the event that an unanticipated event occurs. She indicated that, for example, a student could be severely injured and need special education services or a student(s) could move into town and require special education services. She commented that the District would have to find some way to pay for the services and with a lean budget, would have no way to do so.

Mr. Spencer clarified that everything shown indicates the reserve fund will not be expended. He noted that no one is suggesting that there not be a reserve fund. Mr. Spencer indicated that it is suggested that this is not the time to put money in the fund that will raise taxes.

Mr. Martin clarified that as of February 5 there is a \$54,000 over spend in special education out of district tuition. He explained that another student required services and money had to be transferred back to the special education services account. Mr. Martin indicated that he is estimating a year end balance of \$200,000, but there is no guarantee. There may be a chance the District will have to use the reserve fund as we cannot over spend appropriations approved by the voters.

Mr. Guerrette queried about deficit appropriations.

Mr. Martin indicated that in a situation where the District were to over spend appropriations, we could put a deficit appropriation on the ballot. He added that if Article 3 is not approved by the votes, the District would have to find the money in the budget to pay for the special education costs.

Mr. Harte made a motion to amend Article 3 to reflect that, "It is estimated that the June 30 unreserved fund balance will be \$200,000. If this article is approved, \$50,000 must be added to the existing Capital Reserve Fund which contains \$100,000, resulting in an appropriation which may impact the tax rate". Mr. Spencer seconded the motion.

Mr. Harte explained that the Budget Committee is asking for a clarification to the article so voters will understand that money will be taken out of the unreserved fund balance. He noted that it does change the intent of article, but merely clarifies the wording.

Mr. Gordon Graham, attorney for the Litchfield School District, clarified that special education funding is the most complicated school law. He indicated that there are many options available to the District. He confirmed that Mr. Martin was correct in his summation of a deficit appropriation. Mr. Graham indicated that there are other statutes that offer options, but would result in delays in the ways the District spends money in the future. He cautioned that a deficit appropriation would be an unwise option.

The Moderator asked for further discussion. Hearing none, he repeated the motion made by Mr. Harte to amend Article 3.

The motion failed by head count: 38 Yes, 41 No.

There were no further amendments or discussion, **Article 3 stands as written.**

Mr. Miller made a motion to restrict reconsideration on Article 3. Mary Prindle seconded. The motion passed by voice vote.

Mr. Regan read Article 4.

ARTICLE 4 (Petitioned Article)

Shall Litchfield, NH adopt the provisions of RSA 40:14-b to delegate the determination of the default budget to the municipal budget committee which has been adopted under RSA 32:14?

Three-fifths (3/5) ballot vote required.

*Not Recommended by the School Board
(4-1-0)*

*Recommended by the Budget Committee
(5-3-0)*

Mr. Guerrette spoke to the article. He indicated approval of the article would make the default budget process the responsibility of the Budget Committee. He added that seven out of the eight Budget Committee members signed the petition. Mr. Guerrette commented that it is a way to provide a method of checks and balances.

Elizabeth Miller, 21 Bear Run Drive, asked Budget Committee members why they recommended the article.

Mr. Spencer indicated that Budget Committee members signed the petition, but did not originate the petition. The Budget Committee discussed the article, the amount of work it may generate, and the checks and balances it may create. He noted that some members voted not to support it and some voted to support the article. Mr. Spencer indicated that he would be willing to take on the responsibility if the article is approved by the voters.

Phil Reed, 7 Forest Lane, questioned, with all due respect to the Budget Committee members, if they are really qualified to prepare a default budget for something as large and complicated as the school district budget? Mr. Reed indicated that he was more confident in the SAU Business Administrator's preparation of the default budget than with the wonderful people that serve on the Budget Committee.

Mr. Spencer commented that, with all due respect, the basic operating budget is much more complicated to prepare than the default. He noted that if charged with the task, the Budget Committee would be able to prepare the default.

Mr. Harte commented that he and Mr. Lemire voted against recommending the article. He noted that his signing the petition was based on the belief that it should at least be brought to the voters. Mr. Harte believes that although the law allows for this transition, the Budget Committee has more than enough to task with the district and town budgets. He indicated that there are people better equipped to prepare the default budget. While Mr. Harte agreed that the Budget Committee would be able to prepare the default, he indicated that it will add to the time and effort that they already spend on the operating budgets. He noted that this year the Budget Committee went into double session to produce a fiscally sound budget. Mr. Harte commented that this should be a shared responsibility.

Mr. Boehm commented that when Senate Bill 2 was first proposed, this was put in as a stop gap measure to protect towns and school districts from greatly exaggerating their default budgets. He affirmed that the default budget has not been exaggerated during his tenure on the School Board. He noted that the District operating budget was lower than the default budget prior to presentation to the Budget Committee. Mr. Boehm indicated that the Board removed items from the default budget that exceed what is required by law. He indicated that there is no need for this article as it creates more work for the Budget Committee and School Board alike.

Mr. Miller commented on the preparation of the default budget. He indicated that the creation criteria are based on RSA 40:13, IX, and is meant to be a "fallback" for the governing body should the operating budget fail. He explained that the default is not based on expenditures in the proposed budget. The default is calculated as the amount of the same appropriations as contained in the operating budget approved for the previous year; reduced and increased, as the case may be, by debt service, contracts, and other obligations previously incurred or mandated by law; and reduced by one-time or non-recurring expenditures contained in the operating budget.

The default budget is not required or expected to always be less than the operating for the same year. The default is intended to provide the same level of services year over year should the proposed operating budget fail.

Mr. Miller further explained that since Litchfield adopted SB2, the default budget, in most years, has given the voters an option to restrict proposed spending increases. He noted that for 2010-11 it provides an option to fund the school district at a higher level than the proposed budget approved by the Budget Committee. Mr. Miller indicated that the 2010-11 default budget is \$131,399 less than the 2009-10 operating budget due to School Board reductions in staffing.

Mr. Miller commented that his questions of the Budget Committee's ability in creating the default budget include the following:

Does the Budget Committee:

- Have the knowledge of the school budget details to create the default budget?
- Have the time to invest in creating the default budget?
- Have money in their budget for legal consultation for default budget preparation?

And finally,

- Can the School Board commit to provide the same level of service to the voters with a default budget created by the Budget Committee?

There were no further amendments or discussion, **Article 4 stands as written.**

The Moderator thanked all who attended and accepted a motion to adjourn at 4:22 p.m. The motion was seconded. The motion passed unanimously by voice vote.

A true record of the Litchfield School District Deliberative Session,

Prepared by:

Michele E. Flynn

Administrative Assistant to the Litchfield School Board



A true record of the

Litchfield School District Deliberative Session

Attest:



Lynn Baddeley

School District Clerk

Submitted: February 8, 2010

2010 LITCHFIELD SCHOOL DISTRICT WARRANT STATE OF NEW HAMPSHIRE

To the inhabitants of the School District of the Town of Litchfield in the County of Hillsborough and the State of New Hampshire, qualified to vote upon district affairs:

FIRST SESSION OF ANNUAL MEETING (DELIBERATIVE)

You are hereby notified that the first session of the annual meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Saturday, February 6, 2010, at 2:00 o'clock in the afternoon for explanation, discussion, and debate of warrant articles number 1 through number 4. Warrant articles may be amended subject to the following limitations: (a) warrant articles whose wording is prescribed by law shall not be amended, and (b) warrant articles that are amended shall be placed on the official ballot for a final vote on the main motion, as amended.

SECOND SESSION OF ANNUAL MEETING (VOTING)

You are hereby notified that the second session of the annual meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Tuesday, March 9, 2010, at 7:00 o'clock in the forenoon for the choice of School District Officers elected by official ballot, to vote on questions required by law to be inserted on the official ballot, and to vote on all Warrant Articles from the first session on official ballot per RSA 40:13, VII. The polls for the election of School District Officers and other action required to be inserted on said ballot will open on said date at 7:00 o'clock in the forenoon and will not close earlier than 7:00 o'clock in the evening.

ARTICLE A

To elect by ballot the following School District Officers:

School Board Member
School Board Member

3-Year Term
3-Year Term

ARTICLE 1

Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling Twenty Million, Five Hundred Thirty-one Thousand, Eight Hundred Seventy-one dollars (\$20,531,871)? Should the article be defeated, the default budget shall be Twenty Million, Eight Hundred Sixty-four Thousand, Two Hundred Eleven dollars (\$20,864,211), which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

Recommended by the School Board
(3-2-0)

Recommended by the Budget Committee
(8-0-0)

ARTICLE 2

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association which calls for the following increases in salaries and benefits:

Year	Estimated Increase
2009-2010	\$ 0.00
2010-2011	\$ 171,630.00
2011-2012	\$ 232,763.00

and further to raise and appropriate the sum of One Hundred Seventy-one Thousand, Six Hundred Thirty dollars (\$171,630.00) for the 2010-2011 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels in accordance with the most recent collective bargaining agreement.

Pursuant to RSA 273-A:12, VII, if approved, the terms of this collective bargaining agreement, including the pay plan, but excluding cost of living increases, will continue in force and effect until a new agreement is executed.

Recommended by the School Board
(4-1-0)

Recommended by the Budget Committee
(7-0-0)

ARTICLE 3

Shall the Litchfield School District vote to raise and appropriate up to Fifty Thousand dollars (\$50,000.00) to the Capital Reserve Fund for educating educationally disabled children established in 2004 and authorize the use of that amount from the June 30 unreserved fund balance (surplus) available for transfer on July 1 of this year?

Recommended by the School Board
(4-1-0)

Not Recommended by the Budget Committee
(7-1-0)

ARTICLE 4 (Petitioned Article)

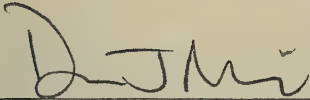
Shall Litchfield, NH adopt the provisions of RSA 40:14-b to delegate the determination of the default budget to the municipal budget committee which has been adopted under RSA 32:14?

Three-fifths (3/5) ballot vote required.

*Not Recommended by the School Board
(4-1-0)*

*Recommended by the Budget Committee
(5-3-0)*

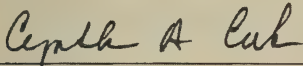
**GIVEN UNDER OUR HANDS AT SAID LITCHFIELD THIS 20th DAY
OF JANUARY 2010.**



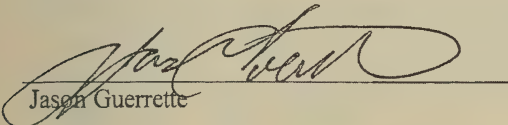
Dennis Miller, Chair



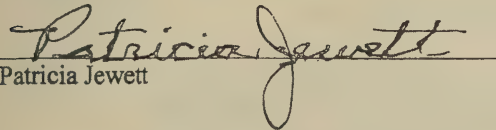
Ralph Boehm, Vice Chair



Cynthia Couture



Jason Guerrette



Patricia Jewett

Litchfield School Board

**LITCHFIELD SCHOOL DISTRICT MEETING
ELECTION RESULTS
MARCH 9, 2010
The State of New Hampshire**

Election of Officers

School Board: **Mary Prindle, 1,009 votes, elected; three-year term**
 John York, 768 votes, elected; three-year term
 Ralph Boehm, 623 votes
 Mike Boschi, 520 votes

Warrant Articles

ARTICLE 1

Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling Twenty Million, Five Hundred Thirty-one Thousand, Eight Hundred Seventy-one dollars (\$20,531,871)? Should the article be defeated, the default budget shall be Twenty Million, Eight Hundred Sixty-four Thousand, Two Hundred Eleven dollars (\$20,864,211), which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

Recommended by the School Board
(3-2-0)

Recommended by the Budget Committee
(8-0-0)

Article Passed - Yes: 1,334
No: 307

ARTICLE 2

Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association which calls for the following increases in salaries and benefits:

Year	Estimated Increase
2009-2010	\$ 0.00
2010-2011	\$ 171,630.00
2011-2012	\$ 232,763.00

and further to raise and appropriate the sum of One Hundred Seventy-one Thousand, Six Hundred Thirty dollars (\$171,630.00) for the 2010-2011 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels in accordance with the most recent collective bargaining agreement.

Pursuant to RSA 273-A:12, VII, if approved, the terms of this collective bargaining agreement, including the pay plan, but excluding cost of living increases, will continue in force and effect until a new agreement is executed.

*Recommended by the School Board
(4-1-0)*

*Recommended by the Budget Committee
(7-0-0)*

**Article Passed - Yes: 936
No: 734**

ARTICLE 3

Shall the Litchfield School District vote to raise and appropriate up to Fifty Thousand dollars (\$50,000.00) to the Capital Reserve Fund for educating educationally disabled children established in 2004 and authorize the use of that amount from the June 30 unreserved fund balance (surplus) available for transfer on July 1 of this year?

*Recommended by the School Board
(4-1-0)*

*Not Recommended by the Budget Committee
(7-1-0)*

**Yes: 616
Article Failed - No: 1,042**

ARTICLE 4 (Petitioned Article)

Shall Litchfield, NH adopt the provisions of RSA 40:14-b to delegate the determination of the default budget to the municipal budget committee which has been adopted under RSA 32:14?

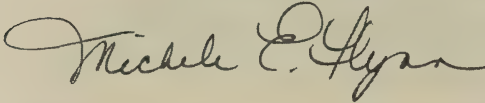
Three-fifths (3/5) ballot vote required.

*Not Recommended by the School Board
(4-1-0)*

*Recommended by the Budget Committee
(5-3-0)*

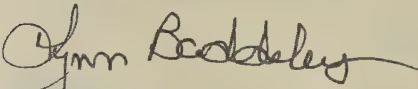
**Yes: 669
Article Failed - No: 939**

A true report of the 2010 Litchfield School District election results, prepared by:

A handwritten signature in cursive script, reading "Michele E. Flynn".

**Michele E. Flynn
School Board Secretary
March 10, 2010**

A true report of the 2010 Litchfield School District election results, attest:

A handwritten signature in cursive script, reading "Lynn Baddeley".

**Lynn Baddeley
School District Clerk
March 10, 2010**

2011 LITCHFIELD SCHOOL DISTRICT WARRANT STATE OF NEW HAMPSHIRE

To the inhabitants of the School District of the Town of Litchfield in the County of Hillsborough and the State of New Hampshire, qualified to vote upon district affairs:

FIRST SESSION OF ANNUAL MEETING (DELIBERATIVE)

You are hereby notified that the first session of the annual meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Saturday, February 5, 2011, at 2:00 o'clock in the afternoon for explanation, discussion, and debate of warrant articles number 1 through number 3. Warrant articles may be amended subject to the following limitations: (a) warrant articles whose wording is prescribed by law shall not be amended, and (b) warrant articles that are amended shall be placed on the official ballot for a final vote on the main motion, as amended.

SECOND SESSION OF ANNUAL MEETING (VOTING)

You are hereby notified that the second session of the annual meeting of the School District of the Town of Litchfield will be held at Campbell High School, 1 Highlander Court, in said Litchfield on Tuesday, March 8, 2011, at 7:00 o'clock in the forenoon for the choice of School District Officers elected by official ballot, to vote on questions required by law to be inserted on the official ballot, and to vote on all Warrant Articles from the first session on official ballot per RSA 40:13, VII. The polls for the election of School District Officers and other action required to be inserted on said ballot will open on said date at 7:00 o'clock in the forenoon and will not close earlier than 7:00 o'clock in the evening.

ARTICLE A

To elect by ballot the following School District Officers:

School Board Member	3-Year Term
School District Moderator	3-Year Term
School District Treasurer	3-Year Term
School District Clerk	3-Year Term

ARTICLE 1

Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling Nineteen Million, Six Hundred Fifty-Three Thousand, Two Hundred Sixty-Three dollars (\$19,653,263)? Should the article be defeated, the default budget shall be Twenty Million, Seven Hundred Seventy-Nine Thousand, Six Hundred Fifty-Nine dollars (\$20,779,659), which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

Recommended by the School Board
(4-1)

Recommended by the Budget Committee
(7-0)

ARTICLE 2

Shall the Litchfield School District vote to raise and appropriate the sum of Thirty-Eight Thousand, Five Hundred Forty-Seven dollars and Eighty-Eight cents (\$38,547.88), which represents salary and benefit costs for a 1% cost-of-living adjustment for non-union positions? These positions include: administrators, administrative assistants, building/grounds staff, Certified Occupational Therapy Assistant, custodial staff, food service staff, monitors, paraprofessionals, psychologists, School Administrative Unit staff, site facility managers, social worker, tutors, and elected officials (other than School Board members).

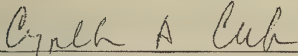
Recommended by the School Board
(5-0)

Recommended by the Budget Committee
(7-0)

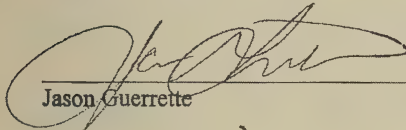
GIVEN UNDER OUR HANDS AT SAID LITCHFIELD THIS 26th DAY
OF JANUARY 2011.



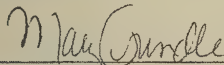
Dennis Miller, Chair



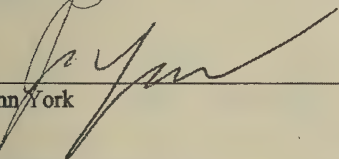
Cynthia Couture, Vice Chair



Jason Guerrette



Mary Prindle



John York

Litchfield School Board

**LITCHFIELD SCHOOL DISTRICT
DELIBERATIVE SESSION
February 5, 2011
The State of New Hampshire**

Time, Place: The meeting was called to order at 2:00 p.m. in the Campbell High School Auditorium.

Present: Moderator, Mr. John G. Regan, presiding.

School Board members: Mr. Dennis Miller, Chair; Mrs. Cynthia Couture, Vice Chair; Mr. Jason Guerrette; and Mr. John York.

Dr. Elaine Cutler, Superintendent of Schools; Mr. Stephen Martin, Business Administrator; Dr. Ronda Gregg, Director of Special Services; Michele E. Flynn, School Board Administrative Assistant; Rob Demaine, IT Technician; Ms. Lynn Baddeley, School District Clerk; Gordon Graham, Attorney for the District.

Mr. Robert Manseau, Campbell High School Principal; Mr. Tom Lecklider Litchfield Middle School Principal; Mr. Martin ("Bo") Schlichter, Griffin Memorial School Principal.

Budget Committee members: Mr. John Harte, Chair; Mr. Paul Parker; Mr. Mike Falzone; Mr. William Spencer; Mr. Ray Peebles; Ms. Elizabeth Miller; Mr. Frank Byron, (Selectmen's Representative).

Ballot clerks: Mrs. Trisha Regan, Mrs. Joan McKibben.

Mr. Regan invited members to join him in the Pledge of Allegiance.

Mr. Regan introduced Mr. Phil Reed, Vice Moderator, and reviewed the Moderator's rules and protocol for the Deliberative Session according to state law.

Mr. Regan introduced Mr. Dennis Miller, School Board Chair. Mr. Miller introduced School Board members, SAU staff, and attorney.

Mr. Regan introduced Mr. John Harte, Chairman of the Budget Committee. Mr. Harte introduced Budget Committee members.

Mr. Miller announced that the Board of Selectmen proposed having one town meeting for the town and school district for 2012. He explained that the proposed meeting would consist of one deliberative meeting for both town and school district sessions. Mr. Miller noted that the rationale for the proposal allows voters to see the school and town sides simultaneously, may increase voter participation, and will result in a cost savings. Mr. Miller asked voters to signify if they were in approval of a joint deliberative session for 2012.

By a show of hands the majority was in favor of a joint deliberative session for 2012.

Mr. Regan announced that elections will be held on March 8, 2011 from 7:00 am – 7:00 pm at CHS.

Note: The order of business of the Deliberative Session is sometimes conducted out of the warrant articles' numeric sequence. Recording activity in chronological order would make the minutes difficult to follow; therefore, the articles will be listed, with action taken thereon, in the order in which they were listed on the warrant.

As is customary, Mr. Regan asked voters if they were in favor of allowing non-voters and employees of the school district who were in attendance to comment during the meeting.

The majority was in favor of allowing non-voters and/or employees of the district to comment during deliberative session by voice vote.

Mr. Regan read Article 1 and indicated that Mr. Miller would speak to the article.

ARTICLE 1

Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling Nineteen Million, Six Hundred Fifty-Three Thousand, Two Hundred Sixty-Three dollars (\$19,653,263)? Should the article be defeated, the default budget shall be Twenty Million, Seven Hundred Seventy-Nine Thousand, Six Hundred Fifty-Nine dollars (\$20,779,659), which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

This article was recommended by the School Board by a vote of 4-1-0, and by the Budget Committee by a vote of 7-0-0.

Mr. Miller thanked School Board members, Budget Committee members and school district administrators for their work during the budget process. Mr. Miller spoke to the budget.

Mr. Miller explained that the budget process for the 2011-2012 fiscal year began in August of 2010 with the overriding concern of a \$2.1M reduction in state funding. He noted that the Board asked the administration to present a budget request that included \$2M in expense reductions and/or increased revenue from the current budget. He indicated that the Budget Committee asked for a proposed budget with no more than a 3% increase on the tax rate.

Mr. Miller explained that the Superintendent and the Administrative Team made initial recommended reductions with prioritization. The School Board held three community forums to discuss the budget and receive input from the community. The Superintendent and the Administrative Team then prioritized their requests and make second level adjustments to the budget. The School Board approved all recommended reductions from the Superintendent and made additional adjustments/reductions of approximately \$142,000 to the budget. The School Board approved increased revenues/fees and approved the proposed budget for Budget Committee consideration. The Budget Committee is responsible for recommending the budget

amount to be placed on the warrant. Although the budget is subject to changes at Deliberative Session, the School Board approves final allocations after the March vote. Mr. Miller explained that the Default Budget is created and approved by the School Board. The Budget Committee is not involved in the Default process.

Mr. Miller indicated that the budget consists of the proposed general, food service, and grant funds operating budgets as recommended by the Budget Committee. He explained that the budget will be presented by object account, function account, and location account.

Mr. Miller commented that the School Board presented a proposed budget of \$19,810,755 to the Budget Committee. The Budget Committee recommended a budget of \$19,653,263 with a total of \$157,492 in reductions. Mr. Miller noted that there is a warrant article requesting a 1% cost of living adjustment for all non-union employees, which totals \$38,548. If both the recommended budget and the article 2 are approved by voters, the total budget for the school district will total \$19,691,811.

Mr. Miller pointed out that the total FY12 recommended budget is \$1,011,690, or 4.89% less than the FY11 budget. He indicated that despite \$1,544,241 in Board reductions to the budget and over \$400,000 in proposed additional estimated revenue, there are increases in the budget. Mr. Miller spoke to the default budget. He explained that the default budget is required for SB2 towns. He noted that the calculation is defined by law and includes items that carry through automatically (i.e. collective bargaining increases, contracts). Mr. Miller indicated that the 2010-2011 adopted default budget is \$20,703,501 and the 2011-2012 default budget is \$20,779,659, which is \$1,126,396 higher than the 2011-2012 recommended budget.

Mr. Miller reviewed the major factors impacting the proposed general fund operating budget:

- Health insurance rate increase: \$264,196
- Voter approved cost of Teachers' Contract: \$232,763
- NH Retirement rate increase: \$144,930
- Grade Change Salary & Benefit increases: \$39,914
- Unemployment Compensation Insurance: \$31,156
- CHS hot water system replacement: \$28,580
- New Data Communication/Telephone contract rate increase: \$19,464
- Transportation contract increase: \$18,214
- Self-Funded programs: \$13,230 (offset by revenues)

Total major increases to the FY12 budget: \$792,447.

Mr. Miller reviewed the major reductions in the FY12 general fund operating budget:

- Staff reductions (Salaries & benefits): \$1,282,419
- One time building & grounds projects: \$143,000
- Elimination of 1 regular transportation bus: \$37,336
- Elimination of guidance, library, & nurses extra days; CHS curriculum facilitator positions; reduced 6th period classes; district-funded adult education: \$56,261
- Removal of GMS grade 3 portable classroom: \$12,750
- Elimination of all national conferences: \$12,475

Total major reductions in the FY12 general fund operating budget: \$1,544,241.

Total general fund operating budget decrease: \$708,272.

Mr. Miller reviewed a list of staff reductions:

At GMS:

- 2 classroom teachers (grades 1 & 2): \$114,775
- 3.5 paraprofessionals: \$61,294
- 1 monitor: \$5,657
- Assistant Principal: \$97,254
- 1 full time custodian: \$40,943

At LMS:

- 1 part time chorus teacher: \$31,642
- 1 classroom teacher (grade 5): \$92,073
- 2 special education teachers: \$140,614
- 1 full time custodian: \$61,757
- Receptionist: \$14,426

At CHS:

- 4.5 classroom teachers: \$274,904
- 2 special education teachers: \$137,532
- 2 program paraprofessionals: \$38,959
- 1 part time guidance counselor: \$11,314
- 1 full time custodian to part time: \$28,371
- Receptionist: \$16,814

District-Wide:

- Part time special education administrative assistant: \$11,983
- 1 speech pathologist: \$68,954
- 1 part time COTA: \$12,259

Mr. Miller presented the FY12 general fund operating budget by object account. Object accounts are used to describe the service or commodities obtained as a result of the specific expenditure. Mr. Miller indicated that all object accounts reflect a decrease ranging from 7% to 57.2%. The only exception is the benefits account, which reflects an increase of 8.5%. The total FY12 general fund object account summary reflects a decrease of 4.5%.

Mr. Miller presented the FY12 general fund operating budget by function account. Function accounts are used to describe the activity for which a service or expense is used, such as regular education. The NH Department of Revenue Administration requires the posting of the default and proposed budgets by function account. Mr. Miller indicated that many function accounts reflect a decrease ranging from 0.5% to 100%. He noted that few accounts reflect an increase.

Mr. Miller presented the FY12 general fund operating budget by location account. Location accounts are used to describe the physical location where the activity or cost is used or expensed (i.e. GMS or District-wide). Mr. Miller indicated that all locations, with the exception of School

Board and SAU, reflect decreases. He noted that the increase in the SAU account is driven by benefit increases and the increase in the School Board account is driven by a change in legal expenses (i.e. upcoming teachers contract negotiations).

Mr. Miller reviewed the Budget Committee's recommended changes to the FY12 budget.

Reductions:

- District-wide special education tuition: -\$100,000
- District-wide health insurance: -\$59,999.86
- District-wide social security: -\$3,794
- CHS FACS supplies: -\$744.50
- CHS FACS replacement equipment: -\$124.13
- CHS guidance 504 student tutoring professional services: -\$1,475

Additions:

- District-wide software 3 year lease: \$8,000
- District-wide computer 3 year lease/purchase partially funded: \$645.92

Budget Committee total net reductions to the FY12 budget: \$157,491.57.

Mr. Miller reviewed the Estimated 2012 Revenue Analysis:

- Expected decrease of Food Service sales: -\$22,217
- Decrease in Adult Education (no longer offering in 2012): -\$18,900
- Use of high school impact fees to pay down the CHS bond: \$343,213
- Increase in revenue from Self-Funded programs: \$13,230
- Increase in revenue from other local sources: \$126,750.

The total increase in local revenue, excluding property taxes: \$442,376.

Mr. Miller commented that there will be a decrease in revenue from state sources. These sources include:

- Decrease in catastrophic aid: -\$34,385
- Decrease in child nutrition: -\$690
- Decrease in adequacy aid: -\$2,144,423
- Decrease in state education taxes: -\$58,309

The total decrease in state revenues is expected to be \$2,287,807.

Mr. Miller reviewed revenue from federal sources:

- Increase in federal program grants: \$162,209
- Increase in child nutrition: \$9,090
- Decrease in disabilities programs: -\$160,000

The total increase in revenues from federal sources is expected to be \$11,299.

Mr. Miller indicated that the District will return an estimated \$370,565 to offset taxes. It is estimated that \$456,313 will be returned next year, which is an increase of \$85,748 over last year. The total 2012 estimate revenues will be a decrease of \$1,748,384.

Mr. Miller indicated that the total appropriation for 2011-2012 is calculated as follows: budget total less revenues equals the total to be raised by taxes. He explained that any approved warrant articles would be added to reflect the net total to be raised by taxes. Mr. Miller noted that if the total FY12 budget and warrant article are approved, the net increase in tax revenue to be raised would be \$0.83 on the tax rate.

Mr. Miller reviewed a sample of how property taxes would be affected if the budget and warrant article are approved. He noted that the estimated tax rate for 2011 is \$15.71. The impact on a home assessed at \$240,000 would be an increase of \$178 in property taxes and an increase of \$237 on a home assessed at \$320,000. Mr. Miller added that this assumes no changes in the state's education funding formula.

The Moderator opened the floor for discussion.

Sue Seabrook, 18 Bear Run Drive, expressed concern regarding the reduction of paraprofessionals at GMS next year. She indicated that the reduction in paraprofessionals will impact student learning. Mrs. Seabrook commented that if the enrollment at GMS increases, the District will have to hire more paraprofessionals. She commented that paraprofessionals help improve education performance. The reduction will impact instructional efficiency.

Mrs. Sue Seabrook, 18 Bear Run, made a motion to increase the FY12 recommended operating budget by \$61,294. The motion was seconded.

Mrs. Seabrook commented that the purpose of the motion is to add the 3.5 paraprofessionals back into the budget for GMS. She indicated that if GMS loses the assistant principal, paraprofessionals will be even more important to the students' educational needs.

Mr. Miller responded that the administration reduced 6.5 regular education paraprofessionals. Special education paraprofessionals remained intact. He indicated that the remaining regular education paraprofessionals will rotate throughout the classrooms. Mr. Miller commented that this compromise was made in consideration of the economy.

Mrs. Seabrook commented that she believes that there is not a paraprofessional in every classroom. She indicated that she is speaking specifically about grade level paraprofessionals.

Maureen Sherwin, 29 Century Lane, commented that paraprofessionals are necessary in the classrooms. She was concerned that students who need additional assistance in the classroom will fall behind.

Dr. Elaine Cutler commented that the administration did not want to remove all the positions that were recommended to the School Board. She indicated it is not much different from families that have to tighten their fiscal belts; the district had to make difficult decisions. Dr. Cutler commented that the District is trying to maintain the integrity of the teacher in the classroom. She explained that she was instructed by the Board to reduce \$2M from the budget. After weighing all the options, she and administrators believed that the class sizes were reasonable enough to warrant a reduction in paraprofessionals.

Dr. Cutler indicated that the School Board added three paraprofessionals back into the budget. She commented that if a student is placed on or is currently on an IEP and needs a paraprofessional, the District will hire one. She added that we will be depending more on volunteers and we will work within the framework of the budget. Dr. Cutler was confident that class sizes are reasonable. She noted that we have to recommend a reasonable budget on which people can afford to live.

Chris Pascucci, 12 Colonial Drive, commented that the decision was made by the administration and the School Board, and approved by the Budget Committee. He asked if anything could be said to quell the fears of those concerned about the reductions.

Dr. Cutler commented that when families reduce their budgets at home they feel the impact. She indicated that the budget cannot be reduced without an impact. However, Dr. Cutler stated that she is confident that class sizes are acceptable.

Sue Seabrook, 18 Bear Run Drive, commented that the paraprofessional do not receive benefits or overtime.

George Lambert, 3 Lydston Lane, commented that we can put people in the school system that need to be there, but was concerned how the additional money would be raised. Mr. Lambert queried about the increase in Central Support Services and how much of that account is allocated to paraprofessionals.

Mr. Steve Martin responded that the increase in Central Support Services includes benefits for Human Resources and Technology, a large increase in Workman's Compensation, and an increase in data communications.

The Moderator instructed Mr. Lambert that discussion is currently restricted to the proposed amendment.

Kathleen Follis, 8 Mike Lane, was concerned that with the reduction of paraprofessionals, students in regular education classes will fall short, which may result in more special education referrals.

Mr. Miller commented that students who need additional assistance may have to be patient. He believes that the reduction in paraprofessionals will not result in children being coded. Mr. Miller echoed Dr. Cutler, stating that the reductions were not easy to make, but faced with a huge decrease in revenue, the Superintendent and administrative team were faced with little choice.

Mrs. Follis suggested that funds can be found in another account.

Mrs. Seabrook queried how many paraprofessionals are currently assigned at GMS. Mr. Miller responded that there are 17 paraprofessionals at GMS.

William Spencer, 9 Cranberry Lane, reminded the audience that the motion is adding money to the budget bottom line and that the Board will decide how it will be spent. He noted that there is no guarantee that the paraprofessionals will be added back if the motion passes.

Cecile Bonvoulior, 1 Tamarack Lane, expressed concern over the two special education teachers that are slated for reduction. She indicated that these teachers are life preservers and keep the children mainstreamed. She was concerned that teachers' caseloads would increase and become unmanageable. She indicated that the special education teachers are a tremendous benefit and is advocating to keep them in the budget.

Hearing no further discussion, the Moderator repeated the motion to increase the FY12 budget by \$61,294.

The amendment failed by voice vote.

Mr. George Lambert, 3 Lydston Lane, made a motion to remove \$400,000 from the FY12 recommended budget. The motion was seconded.

The Moderator opened the floor for discussion of the motion.

Mr. Lambert indicated that the purpose of his motion is to discuss the increase reflected in the Central Support Services account.

John Miller, 21 Bear Run, queried about the fund balance total. He commented that the estimated 2011-2012 fund balance to reduce taxes was anticipated to be higher than \$200,000 that was referred to in a statement made by Mr. Miller during the presentation.

Mr. Dennis Miller explained that at the end of the 2010 fiscal year we pulled forward some purchases out of the 2010-2011 budget to add to the fund balance in order to return more money to the taxpayers.

Mr. John Miller asked if the \$200,000 should be placed in the budget now.

Mr. Dennis Miller commented that the \$200,000 is already in the budget. He explained that it is simply set aside so it will not be spent. Mr. Miller indicated that some purchases budgeted for 2010-2011 were paid with last year's end of the year funds in order to be able to return more money to offset taxes this year.

Mr. Lambert, 3 Lydston Lane, expressed his desire to comment on the increase in the Central Support Services account. He indicated that he has no intention of removing \$400,000 from the account. Mr. Lambert queried why there are contracts renewed that do not go out for competitive bid and requested the contracts be identified.

Mr. Martin explained that the First Student transportation contract extension was negotiated last year. He noted that the contract with One Communications was re-negotiated due to an increase in bandwidth; however, there are still two years left on the contract. Mr. Martin indicated that

the other contracts are: the copier contract, signed contracts for work at GMS, and a continuing contract with Honeywell that has not yet been signed this year.

Mr. Lambert commented that taxes in Litchfield have increased from \$11/thousand to \$15/thousand and we are looking at massive service reductions. He noted that benefits have increased over \$1M. He queried if there are any measures being considered to prevent those numbers from increasing.

Mr. Miller commented that the Board will be entering negotiations this year on the teachers' contract. He explained that staff can be reduced and a different benefit plan can be considered. Mr. Miller noted that the Board will negotiate the best contract possible. He noted that all employees follow the plan that is negotiated. Mr. Miller explained that the maximum increase is budgeted and last year the increase was less than expected. He added that the Board is cognizant that it is more and more expensive to run the district.

Mr. Spencer commented that these are all good questions, but it is a shame that they were not asked when the Budget Committee reviewed the budget.

Mr. Lambert queried how the public can see how the money is being spent in the district throughout the year.

Mr. Miller indicated that each month Mr. Martin prepares a finance report that reflects what is expended and is currently posted online.

Mr. Lambert queried if the detail can be posted online.

Mr. Miller indicated that the monthly detail can be posted on the district web site.

Mr. William Spencer, 9 Cranberry Lane, made a motion to call the question. The motion was seconded.

Mr. George Lambert, 3 Lydston Lane, withdrew the motion to remove \$400,000 from the budget. The second was withdrawn.

Sue Seabrook, 18 Bear Run, queried what the budget would look like if the \$2.1M were not withdrawn.

Mr. Miller indicated the budget would look more like the default budget.

Mrs. Kathleen Follis, 8 Mike Lane, made a motion to increase the FY12 recommended operating budget by \$61,294. The motion seconded.

Sue Seabrook, 18 Bear Run, asked if there was any way to allocate this money for these positions.

Mr. Miller indicated that it is a bottom line budget and any motion to add money to the budget only increases the bottom line.

Bill Spencer, 9 Cranberry Lane, commented that in order to ensure that the money is allocated for these positions the request should have been by petition warrant article.

Mr. Miller commented that even if such an article was approved, the Board is not required to spend the money, although the money cannot be spent for any other purpose.

Betty Vaughn, 19 Stark Lane, commented on the reduction of special education teachers. She indicated that people are basing their concerns on emotional attachment. She was concerned over the prioritizing what is important when the more you fight for a particular item, the more is added to the budget.

The Moderator indicated that all we are doing is adding money into the budget and the Board decides how it will be spent.

Mrs. Vaughn stated that this is an opportunity for voters to comment. She commented that we should try to come up with an idea on how we prioritize what is added into the budget.

Robin Corbeil, 4 Nesmith Court, commented that there has been much discussion over the budget and the decisions that were made were difficult. She indicated that the Board worked hard to get the budget to this level. Mrs. Corbeil commented that she does not want to see the town torn apart over this issue. She added that we can add more money to the budget, but we cannot tell the Board how to spend it.

George Lambert, 3 Lydston Lane, commented that if there is more that needs to be added to the budget, it should be done collectively to save time.

Jason Guerrette, 11 Perry Court, commented that the best way for the Board to know how to spend the money is for the public to come and tell us. He indicated that the Board will spend the money as we see fit. Mr. Guerrette commented that the voters can elect someone to the School Board that will spend the money the way the voters would like it spent.

Hearing no further discussion, the Moderator repeated the motion to increase the FY12 budget by \$61,294.

The amendment failed by standing vote.

Maureen Sherwin made a motion to increase the FY12 recommended operating budget by \$97,254. The motion was seconded.

Mrs. Sherwin commented that the purpose of the motion is to restore the GMS assistant principal's position. She noted that administration at GMS work collaboratively and do tremendous jobs. She indicated that she cannot imagine the school functioning without both a principal and assistant principal.

Mr. Miller indicated that when the Board discussed staff reductions Mr. Schlichter was present. The Board discussed the reduction of the assistant principal at GMS and its impact. Mr. Miller noted that there were concerns about the reduction. He explained that initially the receptionist was proposed to be reduced and the Board wanted recommendations on what positions could be reduced with less impact. When it was decided that the assistant principal's position would be reduced, the Board decided to keep the receptionist because of additional administrative duties. Mr. Miller indicated that the LMS assistant principal can be shared with GMS when Mr. Schlichter is absent. He noted that there are two faculty members that have the administrative certification to assist in this role as well. Mr. Miller indicated that every staff reduction creates an impact.

Mr. Schlichter, Principal, GMS, commented that the roles of administrators have changed over the years. He indicated that the level of services will change with the reduction of the assistant principal. Mr. Schlichter noted that supervision and evaluation of staff will be affected, as will special education meetings. He added that building operations are a huge part of the responsibilities for principals. Mr. Schlichter stated that he is in favor of the motion to restore the GMS assistant principal's position.

Sue Seabrook, 18 Bear Run, commented that she has worked at GMS for 15 years. She indicated that the assistant principal takes care of bullying incidents. She stated that the position is invaluable. Mrs. Seabrook commented that enrollment numbers may be decreasing, but can increase at any time. She stated that she supports reinstating the position.

Mr. Miller commented that every position on the reduction list has an impact. He explained that it was the intention of the Board to have a zero tax increase, but the Board was not able to do so. Mr. Miller agreed that there will be a change in the level of services at GMS with the reduction of the assistant principal position. He noted that the position was not removed from the default budget.

Mrs. Seabrook queried how many other elementary schools the size of GMS have to deal with this issue.

Mr. Miller commented that the Board does not have that information.

Mrs. Seabrook indicated that the information should be researched.

Maureen Sherwin, 29 Century Lane, commented that it is detrimental to the school to reduce the assistant principal position. She indicated that the assistant principal supervises the student council, character education, and the emergency response team.

William Spencer, 9 Cranberry Lane, commented that the state guideline for an assistant principal is 500 students. He indicated that the projected enrollment is declining and the position would most likely be reduced anyway. Mr. Spencer asked the Budget Committee to comment on why they recommended the position be removed from the budget.

John Harte, Budget Committee Chair, indicated that the Budget Committee agreed with the decision of Board because of the annual reduction in enrollment at GMS, even with the addition of kindergarten. Mr. Harte commented that we compared what positions were being reduced with providing the same level of education for the students. Mr. Harte noted that the Budget Committee was trying to present a budget with as little increase as possible.

Sheila Huston, 17 Rookery Way, asked for clarification on the guidelines for assistant principal.

Mr. Miller indicated that there has to be 500 students in enrollment to warrant an assistant principal.

Kathleen Follis, 8 Mike Lane, commented that the kindergarten enrollment is not included in the enrollment numbers. She indicated that if the pre-kindergarten and kindergarten numbers were added, there would be over 500 students at GMS.

Mr. Miller commented that state law allows for the district to have an alternative to the assistant principal by having a certified person who fulfills the administrative duties when needed.

Mrs. Follis indicated that there is a stipend included in the budget for an alternative to the assistant principal. She commented that if there is no one in the building with the qualifications, we will not meet the administrative rules.

Dr. Cutler commented that there are two staff members with certifications that are currently employed in the building and will be employed next year. The assistant principal of the middle school will fill in when necessary. She indicated that class sizes next year are reasonable. Dr. Cutler stated that the assistant principal position is valuable; however, there is an alternative solution.

Sue Seabrook, 18 Bear Run, queried what would happen if the principal is in a meeting and there is an out of control child in the school. She asked if the teacher would be called out of the classroom to deal with the situation.

Dr. Cutler indicated that the principal would be called out of the meeting rather than the teacher.

Mr. William Spencer, 9 Cranberry Lane, made a motion to call the question. The motion was seconded.

The Moderator repeated the motion to increase the FY12 recommended operating budget by \$97,254.

The amendment failed by standing vote.

Mr. Chris Pascucci, 12 Colonial Drive, made a motion to reduce the FY12 recommended operating budget by \$5,053. The motion was seconded.

Mr. Pascucci commented that he would like more information regarding the \$5,053 the district pays for NHSBA dues. He indicated that the policy subscription included is for sample policies. He commented that he researched other districts' policies and believes that ours are the same as those districts. Mr. Pascucci commented that instead of paying for this subscription, we can use other districts as policy resources.

Mrs. Couture explained that the NHSBA (New Hampshire School Boards Association) is the professional organization for school boards across the state. Each week a report on legislation that affects school districts is provided, which is valuable for Litchfield to know what will impact the town. She commented that many laws that are passed have policy impact. Mrs. Couture indicated that school boards annually receive a packet of information on the resolutions proposed for the year and decide if they will support or oppose them. Boards also have the opportunity to submit their own resolutions for legislative consideration. Mrs. Couture indicated that these resolutions are presented at the delegates' annual assembly during which board representatives carry their board's position on each resolution.

Mrs. Couture commented that the NHSBA has legal counsel that research and write sample policies for its membership. She noted that the district pays \$190 per hour for legal fees in comparison to what is included in the NHSBA membership. Mrs. Couture indicated that the NHSBA offers free training for school boards, as well as databases of salary, benefits, and other valuable information.

Mr. Pascucci commented that Litchfield is fortunate to have three state representatives that give us regular updates on legislation at no cost. He queried how many school boards are members of the NHSBA.

Mrs. Couture indicated that approximately 90% of the school boards in the state are members of the NHSBA.

Ralph Boehm, State Representative, 6 Gibson Drive, expressed support for the NHSBA membership. He indicated that the NHSBA provides necessary and valuable services. Mr. Boehm commented that there are three representatives in town; however, there are 27 committees and we cannot handle them all.

Phil Reed, 7 Forest Lane, expressed his opposition to the motion. He noted that the NHSBA is a priceless resource. Mr. Reed commented that the legislative information they provide to us, as well as information from regulatory organizations throughout the state, is valuable. He indicated that we would leave ourselves subject to pitfalls and dangers if we do not renew the membership.

John Miller, 21 Bear Run Drive, queried about the free training for school boards.

Mrs. Couture indicated that there is no additional cost for this service and is free for all members.

Mr. Miller commented that it would be helpful to post what is included in the NHSBA membership.

Jason Guerrette, 11 Perry Court, congratulated Mrs. Couture as the new President of the NHSBA Board of Directors. Mr. Guerrette indicated that he was the delegate to the assembly this year and has been to the training session. He commented that it was beneficial to meet with board members from other districts. Mr. Guerrette expressed his concern with the method used to vote on resolutions at the assembly. He noted that there was little discussion and no opportunity to change any position on them. Mr. Guerrette indicated that any discussion is irrelevant because the delegates take the board's position to the assembly. He commented that the NHSBA provides a good lobbying function and is a valuable service, but there are multiple resources with the same information.

Mr. Miller commented the delegates' assembly is not unlike the Electoral College. The Board voted on each resolution and sent Mr. Guerrette as their representative to present the vote as a Board. He noted that the Board did not vote to remove this from the budget.

Derek Barka, 8 Simeon Lane, commented that in order to be compliant with the recently passed bullying law, a committee was formed to draft a new policy. He mentioned that he was a member of the committee. Mr. Barka noted development of the policy was based on the information provided by the NHSBA. He stated that it was a beneficial service.

Hearing no further discussion, the Moderator repeated the motion to reduce the FY12 recommended operating budget by \$5,053.

The amendment was defeated by voice vote.

Kathleen Follis, 8 Mike Lane, commented that the default budget total is higher than the recommended budget and contains 23 more positions. She queried what the difference would be if the default is approved by the voters.

Mr. Miller indicated that if the default budget were to pass, we would need to raise an additional \$1,126,000. He noted that the tax rate impact would be approximately \$2.12.

Janine Lapore, 17 Greenwich Road, commented that there are 4.5 classroom teachers at CHS to be removed. She queried what courses would be impacted. She also queried if student teachers will be used.

Mr. Miller indicated the teachers will be determined by the administration based on the course selections for next year.

Mrs. Kathleen Follis, 8 Mike Lane, made a motion to increase the FY12 recommended operating budget by \$54,222 to retain the GMS assistant principal and proposed that all assistant principals be reduced to a 10 month schedule. The motion was seconded.

Mrs. Follis commented that the purpose of this motion is to reduce all assistant principals by removing 8 weeks of duties from the position. She noted that the administrative stipend would be removed as well. Mrs. Follis indicated that this allows all students access and support and allows teachers to have support during the school year.

William Spencer, 9 Cranberry Lane, commented that this motion is rehashing what has already transpired. He noted that we have no right to tell the School Board and administration how to run the schools.

Mr. Miller commented that there is no guarantee that the assistant principal's position would be retained if the amendment passed. He indicated that it is a novel approach. Mr. Miller commented that he believed it would have a negative result. The district would end up trying to find 10 month assistant principals.

Phil Reed, 7 Forest Lane, expressed concern that in this meeting there has been continual emphasis that any money we vote on here is a bottom line figure. He commented that he has never seen a Board that did not pay attention to the wishes of the voters. Mr. Reed indicated that the Board must spend the budget on what is allocated; however, what they cannot spend on is anything that was not allocated. He disagreed with the bottom line explanation and stated that this town historically doesn't operate that way.

Penny Shupe, 8 McQuestin Circle, commended Mrs. Follis for thinking outside the box. She indicated that is what is needed in order to solve this crisis. Mrs. Shupe commented that removing the assistant principal position will impact education.

Sue Seabrook, 18 Bear Run, commented that it is worthwhile to support this position. She suggested polling all assistant principals if they would be willing to be reduced to a 10 month position.

John Caynon, 30 Cardinal Lane, commented that he was stupefied that we keep trying to force more money into this budget. He indicated that we have to do what needs to be done. Mr. Caynon stated that it is time for us to do what we need to do for our children.

Mr. William Spencer, 9 Cranberry Lane, made a motion to call the question. The motion was seconded.

The amendment failed by standing vote.

Mr. Dennis Miller, 37 Wren Street, made a motion to restrict reconsideration of Article 1. The motion was seconded.

The motion passed by voice vote.

There were no further amendments or discussion, **Article 1 stands as written and will appear on the ballot as written.**

Phil Reed, 7 Forest Lane, commented that this town sincerely appreciates the leadership provided by Dr. Cutler. He indicated that it is hard to imagine a more trying time because we all know that 99.9% of what is in budget was hard fought. Mr. Reed acknowledged that working on a budget with a \$2M loss in funding and deciding what needs to be removed is hard enough.

Mr. Regan read Article 2 and indicated that Mr. Miller would speak to the article.

ARTICLE 2

Shall the Litchfield School District vote to raise and appropriate the sum of Thirty-Eight Thousand, Five Hundred Forty-Seven dollars and Eighty-Eight cents (\$38,547.88), which represents salary and benefit costs for a 1% cost-of-living adjustment for non-union positions? These positions include: administrators, administrative assistants, building/grounds staff, Certified Occupational Therapy Assistant, custodial staff, food service staff, monitors, paraprofessionals, psychologists, School Administrative Unit staff, site facility managers, social worker, tutors, and elected officials (other than School Board members).

This article was recommended by the School Board by a vote of 5-0-0, and by the Budget Committee by a vote of 7-0-0.

Mr. Miller commented that 15% - 20% of non-union employees in the current budget are at the top of their step and all non-union salaries have been frozen. This article covers the 114 staff members in the district that are not teachers.

The Moderator opened the floor to discussion of the article.

William Spencer, 9 Cranberry Lane, commended the Board for placing the request on a separate warrant article.

Casey Jones, 42 Stark Lane, commented that adding any money in taxes to this budget is outrageous when it comes to choosing between heat and taxes. She indicated that when she lived in Massachusetts she had to fight for her children's education. Mrs. Jones commented that this Board is doing everything they can with the dollars they have. She added that she is doing the same at home. She implored voters to do the same.

Jim Mavrogeorge, 16 Cutler Road, commented that he is retired military and there is no increase in retiree pay. There is no increase in social security this year. He indicated that he did not get a pay raise at work. Mr. Mavrogeorge commented that we are in a tough economy and the outlook is not good. He expressed his opposition to Article 2.

Mr. Miller commented that in previous years this was included in the budget. However, Mr. Miller indicated that the Board thought it more prudent to freeze salaries in the budget and give the people an opportunity to decide.

Steve Kaplan, 16 Cutler Road, expressed his opposition to Article 2. He indicated that as a small businessman he has had to lay off employees. Mr. Kaplan commented that 1% may be a small amount, but this economy has not grown. He encouraged people to vote the article down.

Chris Pascucci, 12 Colonial Drive, commented that the Board did the right thing by giving the people a choice at election time

There were no further amendments or discussion, **Article 2 stands as written and will appear on the ballot as written.**

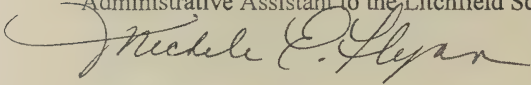
The Moderator thanked all who attended and accepted a motion to adjourn at 4:32 p.m. The motion was seconded. The motion passed unanimously by voice vote.

A true record of the Litchfield School District Deliberative Session,

Prepared by:

Michele E. Flynn

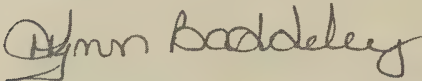
Administrative Assistant to the Litchfield School Board



A true record of the

Litchfield School District Deliberative Session

Attest:



Lynn Baddeley

School District Clerk

Submitted: February 7, 2011

LITCHFIELD SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2010

LITCHFIELD SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2010

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**LITCHFIELD SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2010**

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PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

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INDEPENDENT AUDITOR'S REPORT

To the Members of the School Board
Litchfield School District
Litchfield, New Hampshire

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Litchfield School District as of and for the fiscal year ended June 30, 2010, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Litchfield School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Litchfield School District as of June 30, 2010, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2011 on our consideration of the Litchfield School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3-17), the budgetary comparison information (pages 36-37), and the schedule of funding progress for other postemployment benefits plan (page 38) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Litchfield School District's basic financial statements as a whole. The combining and individual fund financial schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual fund financial schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

January 11, 2011

Therese A. Callery, CPA

PLODZIK & SANDERSON
Professional Association

LITCHFIELD SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010

The Superintendent of Schools and Business Administrator of New Hampshire School Administrative Unit (SAU) #27, as management of the Litchfield School District (the District), offer readers of the District's annual financial statements this narrative discussion and analysis of the financial activities of the District for the fiscal year which ended June 30, 2010. The District has prepared this discussion and analysis to encourage readers to consider the information presented here in conjunction with additional information found within the body of the annual financial statements.

FINANCIAL HIGHLIGHTS

- The District's total net assets for the year ending June 30, 2010, were \$8,653,117. Net assets increased by \$559,198 between July 1, 2009 total and June 30, 2010. The District's total net assets consisted of \$8,487,210 in capital assets net of debt and an unrestricted net asset balance of \$165,907.
- The District's long-term bonds for Campbell High School as of June 30, 2010 total \$3,685,000. These liabilities are reflected as a reduction in net assets.
- The District did not initiate any new construction projects nor issue any bonds in fiscal year 2010.
- During the year, the District's General Fund budgetary expenditures and transfers of \$19,438,067 were \$182,415 less than the final adjusted budget and the General Fund budgetary revenues of \$19,236,074 were \$188,149 higher than the final adjusted budget. Revenues consist of: charges for services; operating grants and contributions; and general revenues (which consist of local and state property tax assessments, state and federal grants and contributions not restricted to purpose).
- At the end of the current fiscal year, the unreserved, undesignated fund balance for the General Fund was \$370,564, or 1.91% of total General Fund expenditures, a reduction of 33.0% from the prior year. Major contributing factors to this fund balance were: \$188,149 in excess revenues, which must be returned to the year-end fund balance; an under spend in utilities of approximately \$135,603 due mostly to the very mild winter weather; and an under spend of approximately \$37,449 in vocational education transportation due to new contract terms.
- The School District accepted approximately \$2,638,686 in federal grant monies in fiscal 2010. The American Recovery and Reinvestment Act of 2009 (ARRA) was the major source of this total, including \$1,698,409 in the general fund which the State of New Hampshire used to offset a shortage of funds in their adequacy aid payments to the district.

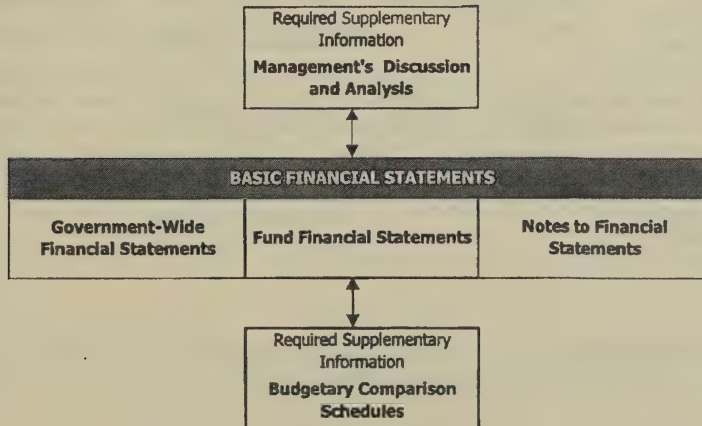
OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's annual financial report, which consists of basic financial statements, notes to the financial statements, and related financial information. Our annual financial report consists of five elements: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, 4) required supplementary information, and 5) this discussion and analysis. This report also contains other supplementary information in addition to the basic financial statements themselves.

The basic financial statements include two kinds of statements that present different views of the District based upon measurement focus and basis of accounting.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements. The governmental funds statements tell how the District's services were financed in the short term as well as what remains for future spending. Fiduciary fund statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. The following exhibit shows how the required parts of this annual report are arranged and related to one another.



**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010**

The following exhibit summarizes the major features of the District's financial statements, including the portion of the District government they cover and the types of information they contain.

	Government-Wide	Fund Statements	
		Governmental	Fiduciary
SCOPE	Entire District government (except fiduciary funds)	All activities of the District that are not proprietary or fiduciary	Instances in which the District is the trustee or agent for someone else's resources
REQUIRED FINANCIAL STATEMENTS	Statement of Net Assets	Balance Sheet	Statement of Fiduciary Assets
	Statement of Activities	Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Changes in Fiduciary Net Assets (not required for agency funds)
ACCOUNTING BASIS	Accrual	Modified Accrual	Accrual
MEASUREMENT FOCUS	Economic Resources	Current Financial Resources	Economic Resources
TYPE OF INFORMATION ASSETS AND LIABILITIES	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both short-term and long-term
TYPE OF INFORMATION REVENUES, EXPENSES, AND EXPENDITURES	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	

The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Government-wide Financial Statements

The Government-wide Financial Statements show functions of the District that are principally supported by property taxes and intergovernmental revenues as "Governmental Activities." These functions are accounted for in the General Fund, Food Service Fund, Grants Fund, and the Expendable Trust Fund. Intergovernmental revenues include local, state and federal monies. The governmental activities of the District include instruction, support services, operation and maintenance of plant, student transportation and operation of non-instructional services. Taxes and intergovernmental revenues also support fixed assets and related debt.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund definitions are part of a state-mandated uniform accounting system and chart of accounts for all New Hampshire School Districts. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds. General Fund, Food Service Fund, Grants Fund and the Expendable Trust Fund are consolidated as Governmental Funds. Both the General Fund and Grants Fund expenditures are compared to budget in the Budgetary Comparison Schedules. Non-major funds include Food Service and the Expendable Trust Funds. All Food Service revenues are expended on program operations and the Grants Fund revenues are spent mainly on instruction. Fiduciary Funds are agency funds established to account for monies belonging to student groups and are shown on a separate schedule.

Notes To The Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve, over time, as a useful indicator of a government's financial position. The largest portion of the District's net assets reflects its investment in capital assets (e.g., land, buildings and improvements, and machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets. Summaries of the capital assets, depreciation and long-term debt obligations can be found in the Notes to Financial Statements. Depreciation is included by accounting convention thus the depreciated value of a District asset, as reflected in these reports, does not reflect an asset's useful, market or replacement value.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010**

Net Assets for the period ending June 30, 2010

Total net assets at year end were \$8,653,117, an increase of \$559,198 or 6.91% over the prior year.

Net Assets	2010	2009	% Variance
Current Assets	1,602,483	1,377,299	16.35%
Non-current Assets	12,172,210	12,540,132	-2.93%
Total Assets	13,774,693	13,917,431	-1.03%
 Current Liabilities	 632,309	 628,740	 0.57%
Non-current Liabilities	4,489,267	5,194,772	-13.58%
Total Liabilities	5,121,576	5,823,512	-12.05%
 Investment in capital assets (net of debt)			
Restricted net assets	8,487,210	8,055,132	5.36%
Unrestricted net assets	165,907	38,787	327.74%
Total Net Assets	8,653,117	8,093,919	5.36%

Change in Net Assets

The District's total revenues were \$20,742,896; total net expenses were \$17,701,279; resulting in an increase of \$559,198 in net assets. This year, 84.2% of the District's revenues came from the local tax assessment and the State of New Hampshire, a decrease of 9.3% from last year. This large decrease is the result of the state using \$1,698,409 in American Recovery and Reinvestment Act monies to offset some of its funding shortfall for its adequacy aid payments. The State of New Hampshire's sources include the locally raised state property tax, federal aid received through the state, and the various state aid programs.

The District's net expenditures continue to be largely for instruction and support services (99.8%). Depreciation expense of \$498,370 was 2.8% of total net expenses.

The following Statement of Activities provides a more detailed breakdown of revenues and expenses.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010**

Statement of Activities	2010	% of Total	2009	% of Total	% Variance
Revenues:					
Program revenues:					
Charges for services	542,734	2.6%	577,916	2.9%	-6.09%
Operating grants	1,457,526	7.0%	1,053,373	5.3%	38.37%
Capital grants	482,159	2.3%	289,882	1.5%	66.33%
General revenues:					
School district assessment	10,217,075	49.3%	9,870,148	49.9%	3.51%
Unrestricted grants	7,955,508	38.4%	7,955,508	40.2%	0.00%
Miscellaneous	87,894	0.4%	19,165	0.1%	358.62%
Total revenues	\$20,742,896	100%	\$19,765,992	100%	4.94%
Program Expenses:					
Instruction	11,844,889	58.7%	11,458,942	58.7%	3.37%
Support services:					
Student	1,592,430	7.9%	1,505,456	7.7%	5.78%
Instructional staff	572,605	2.8%	555,270	2.8%	3.12%
General administration	43,496	0.2%	104,764	0.5%	-58.48%
Executive administration	543,861	2.7%	471,481	2.4%	15.35%
School administration	1,160,829	5.8%	1,116,256	5.7%	3.99%
Business	309,330	1.5%	347,284	1.8%	-10.93%
Operation and maintenance of plant	1,880,331	9.3%	1,934,745	9.9%	-2.81%
Student transportation	727,095	3.6%	667,012	3.4%	9.01%
Other	495,541	2.5%	402,990	2.1%	22.97%
Non-instructional services	558,732	2.8%	578,510	3.0%	-3.42%
Interest on long-term debt	215,757	1.1%	261,600	1.3%	-17.52%
Facilities acquisition and construction	238,802	1.2%	104,372	0.5%	128.80%
Total governmental activities	\$20,183,698	100%	\$19,508,682	100%	3.46%
Change in net assets	\$559,198		\$257,310		117.32%
Beginning net assets	\$8,093,919		\$7,836,609		3.28%
Ending net assets	\$8,653,117		\$8,093,919		6.91%

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010**

Revenues

School district assessment was 49.3% of total revenues for the fiscal year ended June 30, 2010, a decrease of 0.6% from the prior year.

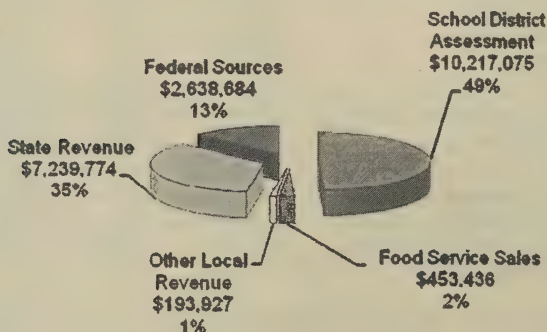
State of New Hampshire source intergovernmental revenues were 34.9% of total revenues for the fiscal year ended June 30, 2010, a decrease of 8.7% from the prior year. This decrease was due to the state using federal ARRA monies to fund part of the state's adequacy aid grant.

Federal revenues were 12.7% of total revenues for the fiscal year ended June 30, 2010, an increase of 9.4% from the prior year.

Summary of Revenues

The biggest share, \$17,456,849 (84.2%), of revenue was derived from local appropriations and intergovernmental sources (State of NH). The state property tax is included as part of intergovernmental revenue even though it is raised locally. This revenue statement includes all revenues from local, state and federal sources.

School District Total Revenues 2009 - 2010



Expenses

Expenses are reported on an accrual accounting basis. Amounts over or under the prior year expense amounts for the District in area's easily compared are as follows:

- Instruction expenses were 59.4% of total net expenses for the fiscal year ended June 30, 2010, a decrease of 0.5% from the prior year.
- Total Support service expenses were 40.5% of total net expenses for the fiscal year ended June 30, 2010, an increase of 0.8% from the prior year.

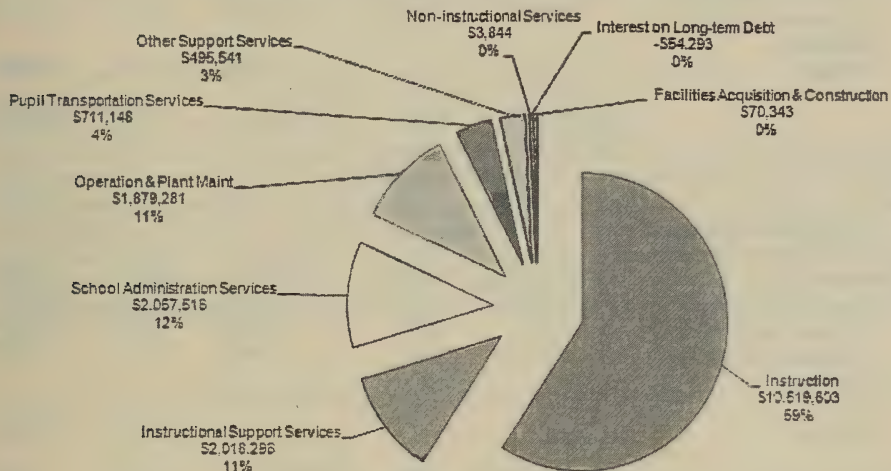
Summary of Net Expenses

The Litchfield School District used its budgetary resources as depicted in the chart below. 70.8% of all expenses were on instruction and instructional support. Most federal revenues

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010**

were expended on staff salaries and benefits through the state's use of ARRA monies to fund part of the district's adequacy aid grant. Excluding the replacement of adequacy aid grant, the remainder of federal revenue was again expended mostly on special needs instruction and support, teacher professional development, and instructional equipment. This expense statement includes expenses paid from local, state and federal appropriations. For purposes of this accrual reporting, the State Building Aid revenues of \$270,050 were applied as an offset to the interest on long-term debt and the State Kindergarten Building Aid revenues of \$212,109 were applied as an offset of \$157,439 on facilities construction and \$54,670 on regular education.

School District Total Net Expenses 2009 - 2010



Highlighted changes in total net expenses include:

- A decrease in Instruction spending of \$11,099 or a decrease of 0.11% under the prior year
- An increase in Instructional Support Services of \$83,812 or 4.33% over the prior year
- A decrease in Operation & Plant Maintenance spending of \$53,514 or 2.77% under the prior year
- An increase in Student Transportation Services of \$59,877 or 9.19% over the prior year
- An increase in Other Support Services of \$92,551 or 22.7% over the prior year due to the purchase of computer networking equipment

Governmental Activities

The following exhibit presents the net cost of the District's largest functions based upon the total expense, less charges for services and operating grants and contributions, of each function. The net cost reflects the amount that was funded by general revenues (principally

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010**

the school district assessment which is derived by local and statewide property taxes and general state aid).

TOTAL AND NET COST OF SERVICES

	Total Cost of Services				Variance
	2010		2009		
Functions / Programs					
Instruction	\$11,844,889	58.7%	\$11,458,942	58.7%	\$385,947
Support services	7,325,518	36.3%	7,105,258	36.4%	220,260
Food service program	558,732	2.8%	578,510	3.0%	(19,778)
Facilities acquisition	238,802	1.2%	104,372	0.5%	134,430
Unallocated					
Interest	215,757	1.1%	261,600	1.3%	(45,843)
	<u>\$ 20,183,698</u>	<u>100%</u>	<u>\$ 19,508,682</u>	<u>100%</u>	<u>675,016</u>
	Net Cost of Services				Variance
	2010		2009		
Functions / Programs					
Instruction	\$ 10,519,603	59.4%	\$ 10,530,702	59.9%	(\$11,099)
Support services	7,161,782	40.5%	6,961,325	39.6%	200,457
Food service program	3,844	0.0%	19,394	0.1%	(15,550)
Facilities acquisition	70,343	0.4%	72,495	0.4%	(2,152)
Unallocated					
Interest	(54,293)	-0.3%	3,595	0.0%	(57,888)
	<u>\$ 17,701,279</u>	<u>100%</u>	<u>\$ 17,587,511</u>	<u>100%</u>	<u>113,768</u>

The total cost of all governmental activities this year was \$20,183,698; the total net cost was \$17,701,279. The primary financing for these activities of the District was as follows:

Property taxes

- The amount that was paid by taxpayers through property taxes was \$12,047,420; which consisted of \$10,217,075 paid in the form of local property taxes and \$1,830,345 paid in the form of property taxes under the State of New Hampshire state-wide education tax system raised locally for the annual school district assessment.
- An additional amount of \$6,060,310 was received from the State of New Hampshire under the "adequacy grant" provisions of the State's educational funding system, which in addition to other State funding sources includes statewide property taxes collected from other local governments. As previously stated, the State used \$1,698,409 of federal ARRA grant monies to meet part of this funding obligation. Thus the actual adequacy aid received directly from State sources was \$4,426,754.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010**

Charges for Services

- Tuition and self-funded program revenues were received in the amount of \$79,079.
- Total food service revenues of \$555,123 consisted of food service sales and local miscellaneous revenues in the amount of \$453,671 and federal and state food nutrition program operating contributions (free and reduced lunch reimbursements and commodities) of \$101,452.

Operating Grants and Contributions

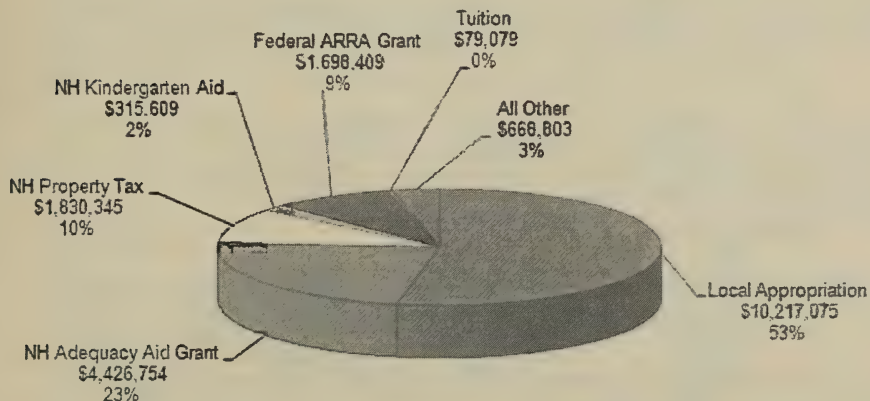
- Federal grants for instruction were received in the amount of \$682,988 with local and state grants of \$16,734.

INDIVIDUAL FUND ANALYSIS

General Fund

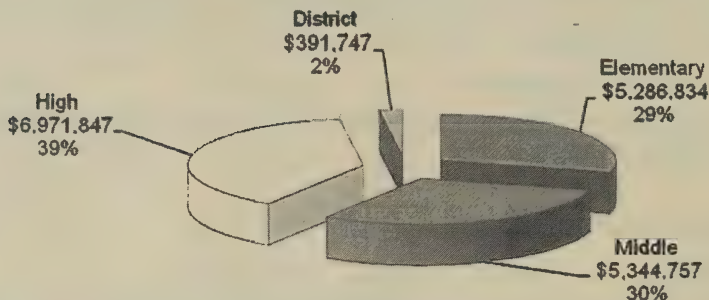
The General Fund is what most people think of as "the budget", since it is the focal point of the Annual Deliberative Session and largely supported by locally raised taxes. The local appropriation and the state property tax are raised locally and make up 62.6% of general fund revenues. Together, the revenues raised locally and the state adequacy grant comprises 85.6% of the District's General Fund Budgetary Revenues. Also depicted below are expenditures and percentages by grade level and district wide including all facilities acquisition and construction expenditures but excluding debt service and interfund transfers.

General Fund Budgetary Revenues 2009 - 2010



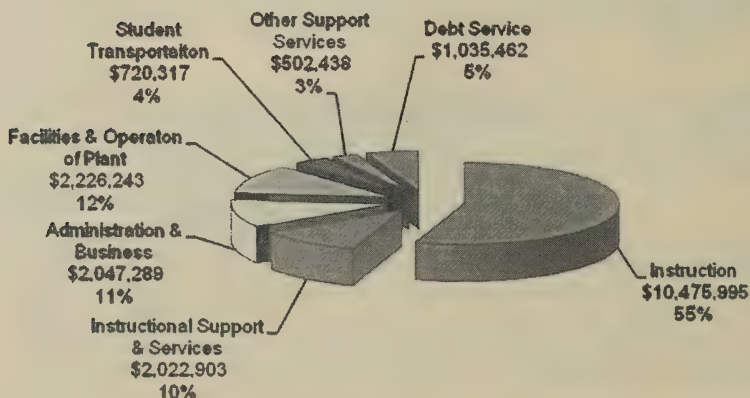
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010**

**General Fund Budgetary Expenditures by Grade Level
2009 - 2010**



Instruction makes up 55.1% of all general fund expenditures, an increase of 0.5% over the prior year, while Instructional Support and Services, including transportation, operation of plant, and administration make up 39.5% of all General Fund expenditures, a decrease of 0.2% over the prior year. The remaining 5.4% includes debt service – principal and interest, a decrease of 0.3% from the prior year. The following charts provide a more detailed depiction of the makeup and proportions of the expenditures in these broad categories.

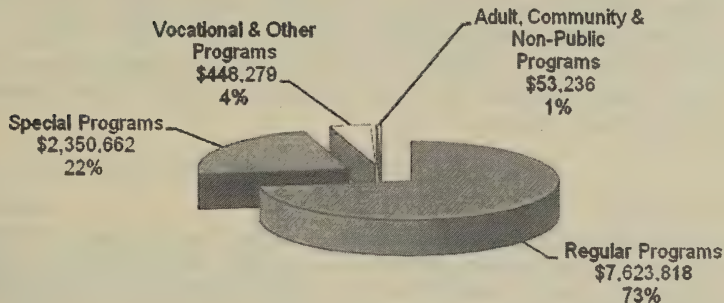
**General Fund Budgetary Expenditures by Functions
2009-2010**



**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010**

This chart examines how the direct instructional expenditures are allocated to the various programs.

**General Fund Budgetary Expenditures for Instruction
2009 - 2010**



SUMMARY OF FEDERAL SUPPORT OF THE DISTRICT

During fiscal year 2010, Litchfield School District applied for and received the following significant federal grants:

- State of New Hampshire State Fiscal Stabilization Fund (SFSF) under the American Recovery and Reinvestment Act of 2009 (ARRA) revenues for the current period were \$1,698,409. This grant funded employee salaries and benefits and were paid in lieu of a portion of the state's required adequacy aid payments.
- American Recovery and Reinvestment Act of 2009 (ARRA) revenues for the current period through the Individuals with Disabilities Education Improvement Act (IDEA) and Title I, Student Achievement and School Accountability Programs revenues for the current period were \$164,289. These grants funded special needs services and supplies for students throughout the District, tutoring and an after school program for high school at-risk students.
- Special Education Individuals with Disabilities Education Improvement Act (IDEA) revenues for the current period were \$296,802. These grants funded special needs services and supplies for students throughout the District.
- Title I, Student Achievement and School Accountability Programs was awarded for the current period in the amount of \$124,496. These grants funded the services of a part-time reading specialist and a math tutor, a summer intervention program for high-risk students, and professional development in the areas of reading and math.
- Title IIA, Improving Teacher Quality State Grants was awarded for the current period in the amount of \$54,642. This grant funded teacher professional development and a teacher mentoring program.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010**

- Title IID, Education Technology State Grants was awarded for the current period in the amount of \$11,566. These grants funded technology equipment and professional development.
- Title IV, Safe and Drug Free Schools was awarded for the current period in the amount of \$22,184. These grants funded staff training and supplies and safe school student activities.
- A Preschool Grant was awarded for the current period in the amount of \$9,009. The grant was used to provide supplies to support special needs students.
- U. S. Department of Agriculture National School Lunch Program revenues for the current period were \$96,380. These revenues were used to offset the expenses of the school lunch program.

CAPITAL RESERVE FUND

Expendable capital reserve funds (established by voters at an annual school district meeting as trust funds in accordance with statutory requirements) are classified as special revenue funds for the basic financial statements. The District's Special Education capital reserve fund and the School Capital Improvement capital reserve fund balances increased \$50,090.40 during the year from \$104,328.88 at June 30, 2009, to \$154,419.28 at June 30, 2010. In accordance with statutory requirements, they are held in custody by the Trustees of Trust Funds of the Town of Litchfield and are only released for the restricted specific purposes of the individual funds.

COMMENTS ON GENERAL FUND BUDGET COMPARISONS

- The beginning General Fund equity was \$635,456. General Fund revenues, consisting largely of local taxes and state aid, were \$19,487,960. General Fund expenditures, including fund transfers, were \$19,332,532. The ending fund equity for the District was \$790,884, of which \$370,564 is an unreserved fund balance, a decrease of \$151,993 from the prior year's unreserved fund balance. The unreserved fund balance is used to lower the amount of money raised by property taxes.
- General Fund actual revenues were greater than the final adjusted budgeted revenues by \$188,149.
- General Fund expenditures were less than the final adjusted budgeted spending by \$182,415. These variances are absorbed in the General Fund ending balance. Significant contributors to the under spend in the general fund budget were:
 - Utilities were under spent by approximately \$135,603 due primarily to a very mild winter weather season.
 - Vocational Education transportation expenses were under spent by approximately \$37,499 due to terms in a new contract amendment signed with the district's transportation vendor.
 - Self-funded programs, which do not impact the local property tax rate, were under spent by \$26,350.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010**

- Under spending in salaries and benefits offset over spending in several major accounts including Special Education out-of-district tuition, repairs and maintenance, replacement equipment, and kindergarten set-up costs (offset by State Kindergarten Aid revenues).

We are constantly monitoring our budget planning processes to improve the accuracy of our budget assessments and reduce the size and frequency of future budget variances. Since it is not possible to know in advance all of the circumstances that might create budget variances, we will continue to estimate future costs based on our experience, judgment, and actual expenditure data.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

On June 30, 2010, the District reported capital assets of \$12,172,210 (net of accumulated depreciation), which consist of a broad range of capital assets, including land, buildings & improvements, and machinery and equipment.

There were no additions of land assets during the year. Capital asset additions in 2010 included site preparation for the kindergarten portables, replacement lighting and a fire alarm upgrade at Griffin Memorial School. The District also annually invests in new furnishings, computers and peripherals, printed media and other equipment, as needed.

Governmental Activities	2010	2009	% Variance
Land & Improvements	460,792	460,792	0.00%
Buildings & Improvements	18,460,642	18,333,311	0.69%
Furniture & Equipment	119,942	119,942	0.00%
Totals at Historical Cost	19,041,376	18,928,045	0.67%
Total Accumulated Depreciation	6,869,166	6,373,913	7.77%
NET CAPITAL ASSETS	12,172,210	12,554,132	-2.93%

Long-Term Liabilities

On June 30, 2010, the District had \$3,685,000 of outstanding long-term debt, \$608,701 in compensated absences payable, and \$16,152 in capital leases payable long term liabilities.

The District has implemented the provisions of the Governmental Accounting Standards Board Statement 45 (GASB-45) *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (OPEB)*, which requires that the long-term cost of retiree health care and obligations for other OPEB benefits be determined on an actuarial basis and reported in the District's annual financial report. The District does not explicitly subsidize health care benefits of its retirees. All retirees pay 100% of their benefit costs. However, the State of New Hampshire requires that the District include its retirees in the same insurance pool as active employees which may result in an implicit cost to the District as the rates the District pays for its active employees may be higher due to this pooling. This higher rate cost to the District creates a GASB-45 liability to the District. The District has historically funded these higher OPEB costs on a pay-as-you-go basis.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010**

For the fiscal year ending June 30, 2010, the annual required contribution to cover OPEB obligations was \$136,340 which was offset by District pay-as-you-go contributions of \$48,641. The net OPEB obligation as of June 30, 2010 is \$179,414. As of June 30, 2009, the date of the most recent actuarial valuation, the actuarial accrued liability for these OPEB benefits was \$1,003,009 with no actuarial value of assets, resulting in an unfunded actuarial accrued liability of \$1,003,009.

Governmental Activities	2010	2009	% Variance
General Obligation Bonds	3,685,000	4,485,000	-17.84%
Compensated Absences	608,701	597,872	1.81%
Capital Leases Payable	16,152	20,185	-19.98%
Other Post Employment Benefits Payable	179,414	91,715	95.62%
TOTAL LONG-TERM LIABILITIES	4,489,267	5,194,772	-13.58%

FUTURE BUDGETARY IMPLICATIONS

In New Hampshire, the public school fiscal year is July 1 to June 30; other programs, i.e., some federal budgets, operate on a different fiscal calendar, but are reflected in the District overall budget as they impact on the District.

The beginning General Fund unreserved equity for the 2010-2011 fiscal year is \$370,564.

The significant activities or events which will have an impact on future district finances include:

1. The State of New Hampshire voted to change its adequate education aid funding formula for calculating its required contribution to school districts to be effective in the 2011-2012 year. To date this change is scheduled to be implemented. Litchfield is expected to lose more than \$2.1 million in state funding which will have a significant reduction on the district's current level of services.
2. The District has temporarily suspended its study of our school building needs. It is expected that this issue will be readdressed in the near future as plans for permanent kindergarten classrooms are discussed.

Questions regarding this report should be directed to Elaine Cutler, Ed. D., Superintendent of Schools or to Mr. Stephen F. Martin, Business Administrator, at (603-578-3570), or by mail at:

Litchfield School District
SAU #27
1 Highlander Court
Litchfield, NH 03052

BASIC FINANCIAL STATEMENTS

EXHIBIT A
LITCHFIELD SCHOOL DISTRICT
Statement of Net Assets
June 30, 2010

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,222,695
Intergovernmental receivable	363,281
Other receivables	16,507
Capital assets, not being depreciated:	
Land	460,792
Capital assets, net of accumulated depreciation:	
Buildings and building improvements	11,662,841
Equipment	48,577
Total assets	<u>13,774,693</u>
LIABILITIES	
Accounts payable	21,909
Accrued interest payable	81,208
Accrued salaries and benefits	520,059
Unearned revenue	9,133
Noncurrent obligations:	
Due within one year:	
Bond	800,000
Capital leases	4,645
Due in more than one year:	
Bond	2,885,000
Capital leases	11,507
Compensated absences	608,701
Other postemployment benefits	179,414
Total liabilities	<u>5,121,576</u>
NET ASSETS	
Invested in capital assets, net of related debt	8,487,210
Unrestricted	165,907
Total net assets	<u>\$ 8,653,117</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT B
LITCHFIELD SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2010

	Expenses	Program Revenues			Net (Expense) Revenue and Change In Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 11,844,889	\$ 79,079	\$ 1,191,537	\$ 54,670	\$ (10,519,603)
Support services:					
Student	1,592,430	-	146,239	-	(1,446,191)
Instructional staff	572,605	-	500	-	(572,105)
General administration	43,496	-	-	-	(43,496)
Executive administration	543,861	-	-	-	(543,861)
School administration	1,160,829	-	-	-	(1,160,829)
Business	309,330	-	-	-	(309,330)
Operation and maintenance of plant	1,880,331	1,050	-	-	(1,879,281)
Student transportation	727,095	9,169	6,778	-	(711,148)
Other	495,541	-	-	-	(495,541)
Non-instructional services	558,732	453,436	101,452	-	(3,844)
Interest on long-term debt	215,757	-	-	270,050	54,293
Facilities acquisition and construction	238,802	-	11,020	157,439	(70,343)
Total governmental activities	<u>\$ 20,183,698</u>	<u>\$ 542,734</u>	<u>\$ 1,457,526</u>	<u>\$ 482,159</u>	<u>(17,701,279)</u>
General revenues:					
School district assessment					10,217,075
Grants and contributions not restricted to specific programs					7,955,508
Miscellaneous					87,894
Total general revenues					<u>18,260,477</u>
Change in net assets					559,198
Net assets, beginning					8,093,919
Net assets, ending					<u>\$ 8,653,117</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-1
LITCHFIELD SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2010

	General	Grants	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 1,115,292	\$ -	\$ 107,403	\$ 1,222,695
Receivables:				
Accounts	14,769	1,221	517	16,507
Intergovernmental	-	203,902	159,379	363,281
Interfund receivable	204,246	-	-	204,246
Total assets	<u>\$ 1,334,307</u>	<u>\$ 205,123</u>	<u>\$ 267,299</u>	<u>\$ 1,806,729</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 21,909	\$ -	\$ -	\$ 21,909
Accrued salaries and benefits	519,789	-	270	520,059
Interfund payable	-	204,246	-	204,246
Deferred revenue	1,725	877	6,531	9,133
Total liabilities	<u>543,423</u>	<u>205,123</u>	<u>6,801</u>	<u>755,347</u>
Fund balances:				
Reserved for encumbrances	420,320	-	-	420,320
Unreserved, undesignated, reported in:				
General fund	370,564	-	-	370,564
Special revenue funds	-	-	260,498	260,498
Total fund balances	<u>790,884</u>	<u>-</u>	<u>260,498</u>	<u>1,051,382</u>
Total liabilities and fund balances	<u>\$ 1,334,307</u>	<u>\$ 205,123</u>	<u>\$ 267,299</u>	<u>\$ 1,806,729</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-2
LITCHFIELD SCHOOL DISTRICT
Reconciliation of Total Governmental Fund Balances to the Statement of Net Assets
June 30, 2010

Total fund balances of governmental funds (Exhibit C-1)			\$ 1,051,382
Amounts reported for governmental activities in the statement of net assets are different because:			
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.			
Cost	\$	19,041,376	
Less accumulated depreciation		(6,869,166)	
			12,172,210
Interfund receivables and payables between governmental funds are eliminated on the statement of net assets.			
Receivables	\$	(204,246)	
Payables		204,246	
			-
Interest on long-term debt is not accrued in governmental funds.			
Accrued interest payable			(81,208)
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.			
Bond	\$	(3,685,000)	
Capital leases		(16,152)	
Compensated absences		(608,701)	
Other postemployment benefits		(179,414)	
			(4,489,267)
Net assets of governmental activities (Exhibit A)			<u>\$ 8,653,117</u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-3
LITCHFIELD SCHOOL DISTRICT

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2010

	General	Grants	Other Governmental Funds	Total Governmental Funds
Revenues:				
School district assessment	\$ 10,217,075	\$ -	\$ -	\$ 10,217,075
Other local	176,865	16,734	453,762	647,361
State	7,234,702	-	5,072	7,239,774
Federal	1,859,318	682,988	96,380	2,638,686
Total revenues	19,487,960	699,722	555,214	20,742,896
Expenditures:				
Current:				
Instruction	10,727,881	535,184	-	11,263,065
Support services:				
Student	1,445,499	146,240	-	1,591,739
Instructional staff	577,404	500	-	577,904
General administration	41,669	-	-	41,669
Executive administration	538,114	-	-	538,114
School administration	1,163,051	-	-	1,163,051
Business	304,455	-	-	304,455
Operation and maintenance of plant	1,887,732	-	-	1,887,732
Student transportation	720,317	6,778	-	727,095
Other	502,438	-	-	502,438
Non-instructional services	-	-	558,732	558,732
Debt service:				
Principal	800,000	-	-	800,000
Interest	235,462	-	-	235,462
Facilities acquisition and construction	338,510	11,020	-	349,530
Total expenditures	19,282,532	699,722	558,732	20,540,986
Excess (deficiency) of revenues over (under) expenditures	205,428	-	(3,518)	201,910
Other financing sources (uses):				
Transfers in	-	-	50,000	50,000
Transfers out	(50,000)	-	-	(50,000)
Total other financing sources and uses	(50,000)	-	50,000	-
Net change in fund balances	155,428	-	46,482	201,910
Fund balances, beginning	635,456	-	214,016	849,472
Fund balances, ending	\$ 790,884	\$ -	\$ 260,498	\$ 1,051,382

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-4
LITCHFIELD SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2010

Net change in fund balances of total governmental funds (Exhibit C-3)	\$ 201,910
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capitalized capital outlay in the current period.

Capitalized capital outlay	\$ 127,331	
Depreciation expense	(495,253)	
		(367,922)

Transfers in and out between governmental funds are eliminated on the operating statement.

Transfers in	\$ (50,000)	
Transfers out	50,000	
		-

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

Principal repayment of bond	\$ 800,000	
Principal repayment of capital leases	4,033	
		804,033

Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.

Decrease in accrued interest expense	\$ 19,705	
Increase in compensated absences payable	(10,829)	
Increase in other postemployment benefits liability	(87,699)	
		(78,823)

Change in net assets of governmental activities (Exhibit B)	\$ 559,198
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The notes to the basic financial statements are an integral part of this statement.

EXHIBIT D
LITCHFIELD SCHOOL DISTRICT
Fiduciary Funds
Statement of Fiduciary Net Assets
June 30, 2010

	<u>Agency</u>
ASSETS	
Cash and cash equivalents	\$ 117,293
LIABILITIES	
Due to student groups	<u>117,293</u>
NET ASSETS	
Held in trust for specific purposes	<u>\$ -</u>

The notes to the basic financial statements are an integral part of this statement.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2010

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LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Litchfield School District (the School District), are presented in conformity with accounting principles generally accepted in the United States of America for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and other authoritative sources.

The more significant of the School District's accounting policies are described below.

1-A Reporting Entity

The Litchfield School District is a municipal corporation governed by an elected 5-member School Board. The reporting entity is comprised of the primary government and any other organizations (*component units*) that are included to ensure that the financial statements are not misleading.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board, and (1) the School District is able to significantly influence the programs or services performed or provided by the organizations; or (2) the School District is legally entitled to or can otherwise access the organization's resources; (3) the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the School District is obligated for the debt of the organization. Based on the foregoing criteria, no other organizations are included in the School District's financial reporting entity.

1-B Financial Statement Presentation

Government-Wide Financial Statements – The government-wide financial statements display information about the School District as a whole. These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. The effect of interfund activity has been eliminated from these statements.

The statement of net assets presents information on all of the entities assets and liabilities, with the difference between the two presented as net assets. Net assets are reported as one of three categories; invested in capital assets, net of related debt; restricted; or unrestricted.

The statement of activities presents a comparison between direct expenses and program revenues for the different functions of the School District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Vehicle maintenance; pension benefit; property and liability insurance; claims and judgments; and state assessments and charges have been allocated to major functions in order to present a more accurate and complete picture of the cost of School District services. Program revenues include (1) charges to customers or applicants for goods received, services rendered or privileges provided; and (2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements – The School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Financial statements of the School District are organized into funds, each of which is considered to be a separate accounting entity. Each fund has a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues and expenditures. Funds are organized as major funds or nonmajor funds within the governmental and fiduciary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the School District or meets the following criteria:

- (a) Total assets, liabilities, revenues or expenditures of that individual governmental fund are at least 10% of the corresponding total for all funds of that category or type;
- (b) Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund are at least 5% of the corresponding total for all governmental funds combined; and

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
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- (c) In addition, any other governmental fund that the School District believes is particularly important to the financial statement users may be reported as a major fund.

Governmental Activities – Governmental funds are identified as general and special revenue based upon the following guidelines:

General Fund – is the primary operating fund of the School District and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Fiduciary Fund Types – These funds account for resources held by the School District for the benefit of other parties and include the private purpose trust fund and agency fund. Fiduciary fund types are not part of the reporting entity in the government-wide financial statements, but are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. This fund is as follows:

Agency Funds – are used to account for resources held by the School District in a purely custodial capacity and include the assets held for and due to the student groups for their student activity funds.

Major Funds - The School District reports the following major governmental funds:

General Fund – all general revenues and other receipts that are not allocated by law or contracted agreement to another fund are accounted for in this fund. This fund accounts for general operating expenditures, fixed charges, and the capital improvement costs that are not reported in other funds.

Grants Fund – accounts for the resources received from various federal, state, and local agencies. The resources are restricted to accomplishing the various objectives of the grantor agencies.

The School District also reports two nonmajor governmental funds.

I-C Measurement Focus

Government-wide, and Fiduciary Fund Financial Statements – The government-wide, and fiduciary fund financial statements, except for agency funds which have no measurement focus, are reported using the economic resources measurement focus. Under this concept, revenues and expenses are matched using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The district assessment is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are susceptible to accrual, that is, when they are both measurable and available. Revenues are considered to be available if they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty days of the end of the current period. District assessment, grants and contracts, and interest associated with the current period are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the School District. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When both restricted and unrestricted resources are available for use, it is the School District's policy to use restricted resources first, then unrestricted resources as they are needed.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2010

Revenues – Exchange Transactions – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis revenue is recorded when the exchange takes place in the fiscal year in which the resources are measurable and become available.

Revenues – Nonexchange Transactions – Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all grantor imposed eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions also must be available (i.e., collected within sixty days) before it can be recognized.

1-D Cash and Cash Equivalents

The School District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and cash equivalents."

New Hampshire statutes require that the School District treasurer have custody of all money belonging to the School District and pay out the same only upon orders of the School Board. The treasurer shall deposit all such moneys in participation units in the public deposit investment pool established pursuant to N.H. RSA 383:22 or in solvent banks in the state. Funds may be deposited in banks outside the state if such banks pledge and deliver to a third party custodial bank or the Federal Reserve Bank, collateral security for such deposits, United States government or government agency obligations or obligations of the State of New Hampshire in value at least equal to the amount of the deposit in each case.

1-E Receivables

Receivables in the government-wide financial statements represent amounts due to the School District at June 30, recorded as revenue, which will be collected in the future and consist primarily of accounts and intergovernmental receivables.

1-F Interfund Balances

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "interfund receivables and payables." Interfund receivables and payables between funds are eliminated in the statement of net assets.

1-G Capital Assets

General capital assets are those assets of a capital nature which the School District owns. All capital assets are capitalized at cost (or estimated at historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$10,000 and more than one year of estimated useful life. Improvements to capital assets are capitalized; the costs of normal maintenance and repairs that do not add to the value of an asset or materially extend the asset's life are expensed.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. All reported capital assets are depreciated over their estimated useful lives. Depreciation is computed using the straight-line method over the following useful lives:

	Years
Buildings and building improvements	20-30
Machinery and equipment	5-15

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2010

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

1-H Deferred/Unearned Revenue

In the government-wide financial statements, deferred revenue is recognized when cash, receivables or other assets are recorded prior to their being earned. In the governmental fund financial statements deferred revenue represents monies received or revenues accrued which have not been earned or do not meet the "available" criterion for revenue recognition under the modified accrual basis of accounting. On the government-wide statements of net assets, deferred revenue is classified as unearned revenue.

1-I Compensated Absences

The School District's policy allows certain employees to earn varying amounts of vacation and sick pay based on the employee's length of employment. Upon retirement or termination of employment, employees are paid in full for any accrued leave earned as set forth by personnel policy.

Vested amounts of both vacation and sick pay are reported as long-term liabilities in the statement of net assets.

1-J Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the government-wide statements. Bond premiums, discounts, and issuance costs are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premiums and discounts. Issuance costs are reported as deferred charges.

In the governmental fund financial statements, bond premiums, discounts, and issuance costs are recognized during the current period. The face amount of debt issued and any premiums received are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

1-K Equity Classifications

Government-Wide Statements – Equity is classified as net assets and displayed in three components:

- a) *Invested in capital assets, net of related debt* – Consists of capital assets including restricted capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested capital assets, net of related debt.
- b) *Unrestricted net assets* – All other net assets that do not meet the definition of "invested in capital assets, net of related debt."

Fund Statements – Governmental fund equity is classified as fund balance. Fund balance is classified as reserved and unreserved, with unreserved further split between designated and undesignated. Reserved fund balances represent amounts not available for appropriation, or are legally restricted by outside parties for use for a specific purpose. Designated fund balances represent tentative management plans that are subject to change. Undesignated fund balance amounts represent amounts available for use in future periods.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2010

1-L Interfund Activities

Interfund activities are reported as follows:

Interfund Receivables and Payables – Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities are reported in the government-wide financial statements as “internal balances.” Interfund receivables and payables between funds are eliminated in the statement of net assets.

Interfund Transfers – Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making the transfers and other financing sources in the funds receiving the transfers. In the government-wide financial statements, all interfund transfers between individual governmental funds have been eliminated.

1-M Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates and the differences could be material.

NOTE 2 - RECEIVABLES

Receivables at June 30, 2010, consisted of accounts (tuition and reimbursements) and intergovernmental amounts arising from grants, trust funds in the custody of the Town of Litchfield trustees of trust funds.

Receivables are recorded on the School District’s financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectability.

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2010 consisted of the following:

	Balance, beginning	Additions	Retirements	Balance, ending
Governmental activities:				
Non-depreciable assets:				
Land	\$ 460,792	\$ -	\$ -	\$ 460,792
Depreciable assets:				
Buildings and building improvements	18,333,311	127,331	-	18,460,642
Equipment	119,942	-	-	119,942
Total depreciable assets	18,453,253	127,331	-	18,580,584
Total assets	18,914,045	127,331	-	19,041,376
Accumulated depreciation:				
Buildings and building improvements	(6,313,504)	(484,297)	-	(6,797,801)
Equipment	(60,409)	(14,073)	3,117	(71,365)
Total accumulated depreciation	(6,373,913)	(498,370)	3,117	(6,869,166)
Depreciable assets, net	12,079,340	(371,039)	3,117	11,711,418
Governmental activities capital assets, net	\$ 12,540,132	\$ (371,039)	\$ 3,117	\$ 12,172,210

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2010

Depreciation expense was charged to functions of the School District based on their usage of the related assets. The amounts allocated to each function are as follows:

Instruction	\$ 490,849
Support services:	
Executive administration	774
Operation and maintenance of plant	<u>6,747</u>
Total depreciation expense	<u>\$ 498,370</u>

NOTE 4 - INTERFUND BALANCES AND TRANSFERS

Interfund receivable and payable balances consisting of overdrafts in pooled cash and budgetary transfers at June 30, 2010, are as follows:

Receivable Fund	Payable Fund	Amount
General	Grants	\$ 204,246

The balance of \$204,246 due to the general fund from the grants fund results from loans made in anticipation of Federal grants.

Interfund transfers during the year ended June 30, 2010 are as follows:

	Transfer In:
	Nonmajor
	Fund
Transfer out:	
General fund	\$ 50,000

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; and (2) use unrestricted revenue collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 5 - DEFERRED/UNEARNED REVENUE

Deferred/unearned revenue at June 30, 2010 consists of the following:

General fund:	
Fees collected in advance for miscellaneous programs	\$ 1,725
Food service fund:	
Fees for lunch and milk collected in advance	6,531
Grants fund:	
Federal grant revenue collected in advance of eligible expenditures being made	<u>877</u>
Total	<u>\$ 9,133</u>

NOTE 6 - LONG-TERM LIABILITIES

Changes in the School District's long-term obligations consisted of the following for the year ended June 30, 2010:

	General Obligation Bond Payable	Capital Leases Payable	Compensated Absences Payable	Total
Balance, beginning	\$ 4,485,000	\$ 20,185	\$ 597,872	\$ 5,103,057
Additions	-	-	10,829	10,829
Reductions	(800,000)	(4,033)	-	(804,033)
Balance, ending	<u>\$ 3,685,000</u>	<u>\$ 16,152</u>	<u>\$ 608,701</u>	<u>\$ 4,309,853</u>

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2010

Long-term liabilities payable are comprised of the following:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at June 30, 2010	Current Portion
General obligation bond payable:						
High School construction	\$ 11,685,500	2000	2015	4.50-5.25	\$ 3,685,000	\$ 800,000
Capital leases payable:						
Music equipment	\$ 27,277	2009	2013	15.15	16,152	4,645
Compensated absences payable:						
Vested sick leave					162,058	-
Accrued vacation leave					208,994	-
Vested retirement stipend					237,649	-
					608,701	-
Total					\$ 4,309,853	\$ 804,645

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2010, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2011	\$ 800,000	\$ 196,463	\$ 996,463
2012	800,000	151,463	951,463
2013	800,000	109,463	909,463
2014	800,000	67,462	867,462
2015	485,000	25,462	510,462
Totals	\$ 3,685,000	\$ 550,313	\$ 4,235,313

All debt is general obligation debt of the School District, which is backed by its full faith and credit, and will be repaid from general governmental revenues.

NOTE 7-- CAPITAL LEASES

The School District has entered into certain capital lease agreements under which the related equipment will become the property of the School District when all the terms of the lease agreements are met.

Annual Requirements to Amortize Capital Leases Payable

Fiscal Year Ending June 30,	Principal	Interest	Total
2011	\$ 4,645	\$ 2,448	\$ 7,093
2012	5,348	1,745	7,093
2013	6,159	933	7,092
Totals	\$ 16,152	\$ 5,126	\$ 21,278

Amortization of lease equipment under capital assets is included with depreciation expense.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 8 – GOVERNMENTAL ACTIVITIES NET ASSETS

Governmental activities net assets reported on the government-wide statement of net assets at June 30, 2010 include the following:

	Governmental Activities
Invested in capital assets, net of related debt:	
Net property, buildings and equipment	\$ 12,172,210
Less:	
General obligation bonds payable, net	(3,685,000)
Total invested in capital assets, net of related debt	8,487,210
Unrestricted	258,748
Total net assets	<u>\$ 8,745,958</u>

None of the net assets are restricted by enabling legislation.

NOTE 9 – EMPLOYEE RETIREMENT PLAN

The School District participates in the New Hampshire Retirement System (the System) which is the administrator of a cost-sharing multiple-employer contributory pension plan and trust established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The plan is a contributory, defined benefit plan providing service, disability, death, and vested retirement benefits to members and their beneficiaries. Provision for benefits and contributions are established and can be amended by the New Hampshire Legislature. The System issues a publicly available financial report that may be obtained by writing the New Hampshire Retirement System, 54 Regional Drive, Concord, NH 03301.

The System is financed by contributions from both the employees and the School District. Member contribution rates are established and may be amended by the State legislature while employer contribution rates are set by the System trustees based on an actuarial valuation. All employees are required to contribute 5% of earnable compensation. For fiscal year 2009, the School District contributed 5.80% for teachers and 8.74% for other employees. The contribution requirements for the Litchfield School District for the fiscal years 2008, 2009 and 2010 were \$555,117, \$591,649, and \$733,149 respectively, which were paid in full in each year.

The State of New Hampshire funds 35% of the total employer normal contribution rate for teachers employed by the School District. This amount, \$251,886, is reported as an "on-behalf payment," as an expenditure and revenue on the governmental funds statement of revenues, expenditures and changes in fund balances, and as an expense and revenue on the statement of activities.

NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (OPEB)

The Governmental Accounting Standards Board (GASB) issued Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. GASB Statement 45, was implemented by the School District during fiscal year 2009, and requires that the long-term cost of retirement health care and obligations for other postemployment benefits (OPEB) be determined on an actuarial basis and reported similar to pension plans. GASB Statement 45 does not mandate the pre-funding of postemployment benefit liabilities. Nevertheless, any pre-funding of these benefits will help minimize or eliminate the postemployment benefit obligation that will be required to be reported on the financial statements.

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The School District has only partially funded (on a pay-as-you-go basis) the annual required contribution (ARC), an actuarially determined rate in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30-years. The following table presents the OPEB cost for the year, the amount contributed and changes in the OPEB plan for fiscal year 2010:

Annual required contribution/OPEB cost	\$ 136,340
Contributions made (pay-as-you-go)	(48,641)
Increase in net OPEB obligation	<u>87,699</u>
Net OPEB obligation, beginning	<u>91,715</u>
Net OPEB obligation, ending	<u>\$ 179,414</u>

The School District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2010 was as follows:

Fiscal Year Ended	Annual Required Contribution (ARC)	Actual Contributions (pay-as-you-go)	Percentage Contributed	Net OPEB Obligation
June 30, 2010	\$136,340	\$48,641	35.68%	\$179,414

As of June 30, 2009, the date of the most recent actuarial valuation, the actuarial accrued liability (AAL) for benefits was \$1,003,009, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,003,009. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, is designed to present multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2009 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.5 % investment rate of return per annum. The projected annual healthcare cost trend is 10 % initially, reduced by decrements to an ultimate rate of 5 % after four years. The UAAL is being amortized as a level dollar amount over an open basis. The remaining amortization period at June 30, 2010 was thirty years.

NOTE 11- RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. During fiscal year 2010, the School District was a member of the New Hampshire Public Risk Management Exchange (Primex) Workers' Compensation and Property/Liability Programs. These entities are pooled risk management programs under RSAs 5-B and 281-A. The workers' compensation and employer's liability policy provides statutory coverage for workers' compensation and up to \$2,000,000 of employer's liability coverage. Primex retained \$500,000 of each workers' compensation and liability loss, and \$200,000 of each property loss. The membership and coverage run from July 1 through June 30. The estimated net contribution from the School District of Litchfield billed and paid for the year ended June 30, 2010 was \$73,341 for property/liability, and \$41,593 for workers' compensation. The member

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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participation agreement permits Primex to make additional assessments to members, should there be a deficiency in contributions for any member year, not to exceed the member's annual contribution. At this time, Primex foresees no likelihood of any additional assessment for this or any prior year.

NOTE 12 - CONTINGENT LIABILITIES

The School District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement from the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the School District believes such disallowances, if any, will be immaterial.

There are various claims and suits pending against the School District which arose in the normal course of the School District's activities. In the opinion of management, the ultimate disposition of these various claims and suits will not have a material effect on the financial position of the School District.

NOTE 13 - IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

In March 2009 the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The requirements of Statement No. 54 are not mandatory for the School District until fiscal year ended June 30, 2011. The School District also implemented the following Statements this year with no significant impact:

GASB Statement No. 55 *The Hierarchy of Generally Accepted Principles for State and Local Governments*

GASB Statement No. 56 *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*

NOTE 14 - SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date, but before the financial statements are issued. Recognized subsequent events are events or transactions that provided additional evidence about conditions that existed at the balance sheet date, including the estimates inherent in the process of preparing the financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the balance sheet date, but arose after the date. Management has evaluated subsequent events through January 11, 2011, the date the June 30, 2010 financial statements were issued, and no events occurred requiring recognition or disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT E-1
LITCHFIELD SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2010

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues:			
School district assessment	\$ 10,217,075	\$ 10,217,075	\$ -
Other local	96,715	176,865	80,150
State	6,975,726	6,982,816	7,090
Federal	1,758,409	1,859,318	100,909
Total revenues	19,047,925	19,236,074	188,149
Expenditures:			
Current:			
Instruction	10,836,002	10,561,423	274,579
Support services:			
Student	1,453,582	1,445,771	7,811
Instructional staff	602,842	583,516	19,326
General administration	93,233	41,669	51,564
Executive administration	518,469	538,985	(20,516)
School administration	1,163,388	1,163,527	(139)
Business	298,427	299,517	(1,090)
Operation and maintenance of plant	2,080,565	1,998,030	82,535
Student transportation	801,565	720,317	81,248
Other	399,008	591,270	(192,262)
Debt service:			
Principal	800,000	800,000	-
Interest	235,463	235,462	1
Facilities acquisition and construction	287,938	408,580	(120,642)
Total expenditures	19,570,482	19,388,067	182,415
Other financing uses:			
Transfers out	(50,000)	(50,000)	(50,000)
Net change in fund balance	\$ (572,557)	(201,993)	\$ (5,734)
Decrease in fund balance reserved for special purposes		50,000	
Unreserved fund balance, beginning		522,557	
Unreserved fund balance, ending		\$ 370,564	

The notes to the required supplementary information are an integral part of this schedule.

EXHIBIT E-2
LITCHFIELD SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (GAAP Basis)
Grants Fund
For the Fiscal Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Local	\$ -	\$ -	\$ 16,734	\$ 16,734
Federal	535,000	798,947	682,988	(115,959)
Total revenues	535,000	798,947	699,722	(99,225)
Expenditures:				
Current:				
Instruction	535,000	798,947	535,184	263,763
Support services:				
Student	-	-	146,240	(146,240)
Instructional staff	-	-	500	(500)
Student transportation	-	-	6,778	(6,778)
Other	-	-	11,020	(11,020)
Total expenditures	535,000	798,947	699,722	99,225
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance, beginning			-	
Fund balance, ending			\$ -	

The notes to the required supplementary information are an integral part of this schedule.

EXHIBIT F
LITCHFIELD SCHOOL DISTRICT
Schedule of Funding Progress for Other Postemployment Benefit Plan
For the Fiscal Year Ended June 30, 2010

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2009	\$ -	\$910,124	\$910,124	0.00%	\$8,913,827	10.20%

The notes to the required supplementary information are an integral part of this schedule.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED
JUNE 30, 2010

General Budget Policies	1
Budgetary Reconciliation	2

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED
JUNE 30, 2010

1. General Budget Policies

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements which govern the School District's operations. At its annual meeting, the School District adopts a budget for the current year for the general and grants funds, as well as the nonmajor food service fund. Except as reconciled below, the budget was adopted on a basis consistent with U.S. generally accepted accounting principles.

Management may transfer appropriations between operating categories as deemed necessary, but expenditures may not legally exceed budgeted appropriations in total. All annual appropriations lapse at year-end unless encumbered.

Encumbrance accounting, under which purchase orders, contracts, and continuing appropriations (certain projects and specific items not fully expended at year-end) are recognized, is employed in the governmental funds. Encumbrances are not the equivalent of expenditures, and are therefore, reported as part of the fund balance at year-end, and are carried forward to supplement appropriations of the subsequent year.

State statutes require balanced budgets, but provide for the use of beginning unreserved fund balance to achieve that end. In the fiscal year 2010, \$572,557 of the beginning general fund fund balance was applied for this purpose.

2. Budgetary Reconciliation

The following reconciles the general fund budgetary basis to the GAAP basis.

Revenues and other financing sources:	
Per Exhibit E-1 (budgetary basis)	\$ 19,236,074
Adjustments:	
Basis difference:	
On-behalf retirement contributions made by the State of New Hampshire recognized as revenue on the GAAP basis, but not on the budgetary basis	251,886
Per Exhibit C-3 (GAAP basis)	<u>\$ 19,487,960</u>
Expenditures and other financing uses:	
Per Exhibit E-1 (budgetary basis)	\$ 19,438,067
Adjustments:	
Basis difference:	
Encumbrances, beginning	62,899
Encumbrances, ending	(420,320)
On-behalf retirement contributions made by the State of New Hampshire recognized as an expenditure on the GAAP basis, but not on the budgetary basis	251,886
Per Exhibit C-3 (GAAP basis)	<u>\$ 19,332,532</u>

COMBINING AND INDIVIDUAL FUND SCHEDULES

SCHEDULE 1
LITCHFIELD SCHOOL DISTRICT
Major General Fund
Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2010

	Estimated	Actual	Variance Positive (Negative)
School district assessment:			
Current appropriation	<u>\$ 10,217,075</u>	<u>\$ 10,217,075</u>	<u>\$ -</u>
Other local sources:			
Tuition	15,000	79,079	64,079
Transportation	6,000	9,169	3,169
Investment earnings	10,000	9,676	(324)
Rentals	-	1,050	1,050
Miscellaneous	<u>65,715</u>	<u>77,891</u>	<u>12,176</u>
Total from other local sources	<u>96,715</u>	<u>176,865</u>	<u>80,150</u>
State sources:			
Adequacy aid (grant)	4,426,754	4,426,754	-
Adequacy aid (tax)	1,830,345	1,830,345	-
School building aid	270,050	270,050	-
Kindergarten building aid	317,334	315,609	(1,725)
Catastrophic aid	129,243	137,513	8,270
Vocational aid	<u>2,000</u>	<u>2,545</u>	<u>545</u>
Total from state sources	<u>6,975,726</u>	<u>6,982,816</u>	<u>7,090</u>
Federal sources:			
Medicaid	60,000	160,909	100,909
ARRA stabilization funding	<u>1,698,409</u>	<u>1,698,409</u>	<u>-</u>
Total from federal sources	<u>1,758,409</u>	<u>1,859,318</u>	<u>100,909</u>
Total revenues	19,047,925	<u>\$ 19,236,074</u>	<u>\$ 188,149</u>
Use of fund balance to reduce school district assessment	<u>572,557</u>		
Total revenues and use of fund balance	<u>\$ 19,620,482</u>		

**SCHEDULE 2
LITCHFIELD SCHOOL DISTRICT**

Major General Fund

*Schedule of Appropriations, Expenditures and Encumbrances (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2010*

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
Instruction:					
Regular programs	\$ 7,192	\$ 7,733,979	\$ 7,623,818	\$ 33,000	\$ 84,353
Special programs	961	2,534,263	2,350,662	19,191	165,371
Vocational programs	-	34,072	24,664	-	9,408
Adult and community programs	179	23,585	17,144	41,569	(34,949)
Other	-	510,103	459,707	-	50,396
Total instruction	<u>8,332</u>	<u>10,836,002</u>	<u>10,475,995</u>	<u>93,760</u>	<u>274,579</u>
Support services:					
Student	865	1,453,582	1,445,499	1,137	7,811
Instructional staff	4,053	602,842	577,404	10,165	19,326
General administration	-	93,233	41,669	-	51,564
Executive administration	-	518,469	538,114	871	(20,516)
School administration	-	1,163,388	1,163,051	476	(139)
Business	14,750	298,427	304,455	9,812	(1,090)
Operation and maintenance of plant	360	2,080,565	1,887,732	110,658	82,535
Student transportation	-	801,565	720,317	-	81,248
Other	39	399,008	502,438	88,871	(192,262)
Total support services	<u>20,067</u>	<u>7,411,079</u>	<u>7,180,679</u>	<u>221,990</u>	<u>28,477</u>
Debt service:					
Principal of long-term debt	-	800,000	800,000	-	-
Interest on long-term debt	-	235,463	235,462	-	1
Total debt service	<u>-</u>	<u>1,035,463</u>	<u>1,035,462</u>	<u>-</u>	<u>1</u>
Facilities acquisition and construction	<u>34,500</u>	<u>287,938</u>	<u>338,510</u>	<u>104,570</u>	<u>(120,642)</u>
Other financing uses:					
Transfers out	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>-</u>
Total appropriations, expenditures, other financing uses and encumbrances	<u>\$ 62,899</u>	<u>\$ 19,620,482</u>	<u>\$ 19,080,646</u>	<u>\$ 420,320</u>	<u>\$ 182,415</u>

SCHEDULE 3
LITCHFIELD SCHOOL DISTRICT
Major General Fund

Schedule of Changes in Unreserved - Undesignated Fund Balance (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2010

Unreserved, undesignated fund balance, beginning		\$ 522,557
Changes:		
Unreserved fund balance used to reduce school district assessment		(572,557)
2009-2010 Budget summary:		
Revenue surplus (Schedule 1)	\$ 188,149	
Unexpended balance of appropriations (Schedule 2)	182,415	
2009-2010 Budget surplus		370,564
Decrease in reserve for special purposes		50,000
Unreserved, undesignated fund balance, ending		\$ 370,564

SCHEDULE 4
LITCHFIELD SCHOOL DISTRICT
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2010

	Special Revenue Funds		Total
	Food Service	Expendable Trust	
ASSETS			
Cash and cash equivalents	\$ 107,403	\$ -	\$ 107,403
Receivables:			
Accounts	517	-	517
Intergovernmental	4,960	154,419	159,379
Total assets	<u>\$ 112,880</u>	<u>\$ 154,419</u>	<u>\$ 267,299</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accrued salaries and benefits	\$ 270	\$ -	\$ 270
Deferred revenue	6,531	-	6,531
Total liabilities	<u>6,801</u>	<u>-</u>	<u>6,801</u>
Fund balances:			
Unreserved, undesignated	106,079	154,419	260,498
Total liabilities and fund balances	<u>\$ 112,880</u>	<u>\$ 154,419</u>	<u>\$ 267,299</u>

SCHEDULE 5
LITCHFIELD SCHOOL DISTRICT
Nonmajor Governmental Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2010

	Special Revenue Funds		Total
	Food Service	Expendable Trust	
Revenues:			
Other local	\$ 453,671	\$ 91	\$ 453,762
State	5,072	-	5,072
Federal	96,380	-	96,380
Total revenues	<u>555,123</u>	<u>91</u>	<u>555,214</u>
Expenditures:			
Non-instructional services	<u>558,732</u>	<u>-</u>	<u>558,732</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,609)</u>	<u>91</u>	<u>(3,518)</u>
Other financing sources (uses):			
Transfers in	<u>-</u>	<u>50,000</u>	<u>50,000</u>
Net change in fund balances	(3,609)	50,091	46,482
Fund balances, beginning	<u>109,688</u>	<u>104,328</u>	<u>214,016</u>
Fund balances, ending	<u>\$ 106,079</u>	<u>\$ 154,419</u>	<u>\$ 260,498</u>

SCHEDULE 6
LITCHFIELD SCHOOL DISTRICT
Combining Schedule of Changes in Student Activities Funds
Student Activities Funds
For the Fiscal Year Ended June 30, 2010

	<u>Balance, beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, ending</u>
Schools:				
Campbell High	\$ 85,381	\$ 269,723	\$ 270,109	\$ 84,995
Litchfield Middle	31,550	179,536	184,422	26,664
Griffin Memorial	6,573	36,022	36,961	5,634
Totals	<u>\$ 123,504</u>	<u>\$ 485,281</u>	<u>\$ 491,492</u>	<u>\$ 117,293</u>

***SINGLE AUDIT ACT SCHEDULES
AND INDEPENDENT AUDITOR'S REPORTS***



PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Members of the School Board
Litchfield School District
Litchfield, New Hampshire

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Litchfield School District as of and for the year ended June 30, 2010, which collectively comprise the Litchfield School District's basic financial statements and have issued our report thereon dated January 11, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Litchfield School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Litchfield School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Litchfield School District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and other Matters

As part of obtaining reasonable assurance about whether the Litchfield School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the school board, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Gregory A. Colby, CPA

January 11, 2011

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Members of the School Board
Litchfield School District
Litchfield, New Hampshire

Compliance

We have audited the compliance of the Litchfield School District with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2010. The Litchfield School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Litchfield School District's management. Our responsibility is to express an opinion on the Litchfield School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Litchfield School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Litchfield School District's compliance with those requirements.

In our opinion, the Litchfield School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 10-01 and 10-02.

Internal Control over Compliance

Management of the Litchfield School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Litchfield School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Entity's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

*Litchfield School District
Report on Compliance With Requirements Applicable to Each Major Program
and on Internal Control Over Compliance in Accordance with OMB Circular A-133*

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The Litchfield School District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Litchfield School District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the school board, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

January 11, 2011

Gregory A. Colby, CPA

PLODZIK & SANDERSON
Professional Association

SCHEDULE I
LITCHFIELD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

SECTION I - SUMMARY OF AUDITOR'S RESULTS

A. Financial Statements

1. The auditor's report expresses an unqualified opinion on the financial statements.
2. There were no material weaknesses identified relating to the internal control over financial reporting.
3. There were no significant deficiencies identified that were not considered material weaknesses relating to the internal control over financial reporting.
4. There were no instances of noncompliance material to the financial statements identified.

B. Federal Awards

1. There were no material weaknesses identified relating to the internal control over major programs.
2. There were no significant deficiencies identified that were not considered material weaknesses relating to the internal control over major programs.
3. The auditor's report on compliance for major programs expresses an unqualified opinion.
4. There are two audit findings required to be reported in accordance with section 510(a) of OMB Circular A-133.
5. The programs tested as major programs are the Special Education Cluster and CFDA No. 84.394: State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act.
6. The threshold for distinguishing between Types A and B programs was \$300,000.
7. The entity name was determined to be a low-risk auditee.

SECTION II - FINANCIAL STATEMENT FINDINGS

NONE

**Auditor
Reference
Number**

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

**U.S. Department of Education passed through the State of New Hampshire Department of Education:
Special Education Cluster**

- 10-01 Criteria:** OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* states in Attachment B: *Selected Items of Cost*; Section 8: *Compensation for Personnel Services*; Subsection h: *Support of Salaries and Wages* that "where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employee worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee." The State of New Hampshire further requires that the certifications be signed by both the employee and the supervisor.

Condition: While performing compliance testing over payroll expenditures, it was noted that one employee's wages for the year were split between this Federal program and the General Fund based on a predetermined percentage rate. Timesheets were completed by this employee indicating total hours worked; however, did not differentiate the time been Federal and non-Federal as the employee works on a single cost objective.

SCHEDULE I (continued)
LITCHFIELD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

Cause: The School District only believed that semi-annual certifications needed to be completed for employee's whose wages were solely charged to one Federal project.

Effect: The School District is not in compliance with allowable costs/cost principles requirements.

Recommendation: We recommend that employees who work on a single federal award or cost objective complete semi-annual certifications.

Management Response: We agree with this finding and recommendation. We will modify our practices to issue a semi-annual certification letter to any employee who is paid in any part by a federal award. If the employee is only partly funded by the federal award, the certification letter will state the allocation of the employee's time between the federal award and non-federal award time if they are assigned one position or cost objective. If the employee is not assigned to a single position or cost objective, the employee timecard will state the hours worked between the federal and non-federal positions. We will implement this procedure for all expenditures in the 2010 – 2011 school year and will re-issue all FY 2010 – 2011 letters.

- 10-02 **Criteria:** The State of New Hampshire, Department of Education (NH DOE) *Federal Funds Handbook* states that equipment is any tangible personal property having an acquisition cost of \$100 or more per unit and a useful life of more than one year. Any item meeting this criterion is required to be tagged with a NH DOE inventory sticker. It further states that individual property records must be accurately maintained for each item.

Condition: During our testing, we noted that all furniture items purchased through this program in the fiscal year that met the NH DOE criterion of equipment were not tagged with equipment inventory stickers nor included on an inventory listing.

Cause: The School District was not aware that furniture is considered to be equipment according to NH DOE standards.

Effect: The School District is not in compliance with equipment and real property management requirements.

Recommendation: We recommend that the School District ensure that all equipment items be tagged with a NH DOE Federal equipment sticker and be included on an inventory listing.

Management Response: We agree with this finding. We have modified our standard practices to tag and inventory all items purchased with a federal award with a value of \$100 or more and an expected life of more than one year.

SCHEDULE II
LITCHFIELD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through the State of New Hampshire Department of Education			
CHILD NUTRITION CLUSTER			
National School Lunch Program (note 3)	10.555	N/A	\$ 95,735
Special Milk Program for Children	10.556	N/A	646
<i>CLUSTER TOTAL</i>			<u>96,381</u>
U.S. DEPARTMENT OF EDUCATION			
Passed Through the State of New Hampshire Department of Education			
TITLE I, PART A CLUSTER			
Title I Grants to Local Educational Agencies:			
Title I 08-09	84.010	90086	24,723
SINI	84.010	90264	4,366
Title I 09-10	84.010	00077	61,612
Title I Grants to Local Educational Agencies, Recovery Act:			
Title I ARRA	84.389	N/A	34,538
Title I 1003(a) GMS	84.389	N/A	16,894
Title I 1003(a) LMS	84.389	N/A	16,901
<i>CLUSTER TOTAL</i>			<u>159,034</u>
SPECIAL EDUCATION CLUSTER			
Special Education - Grants to States	84.027	02509	296,802
Special Education - Preschool Grants:			
Preschool	84.173	92738	6,090
Preschool	84.173	02708	2,919
Special Education - Grants to States, Recovery Act	84.391	N/A	129,751
<i>CLUSTER TOTAL</i>			<u>435,562</u>
Safe and Drug-Free Schools and Communities - State Grants:			
Title IVA Redistribution	84.186	94539	17,148
Title IV	84.186	96588	231
Title IV	84.186	06598	4,805
<i>PROGRAM TOTAL</i>			<u>22,184</u>
Education Technology State Grants:			
Title IID	84.318	94506	2,469
Title IID Mini Grant CHS	84.318	04505	9,097
<i>PROGRAM TOTAL</i>			<u>11,566</u>
Improving Teacher Quality State Grants:			
Title IIA	84.367	84867	(242)
Title IIA 2009	84.367	94871	13,230
Director of Curriculum	84.367	04852	41,655
<i>PROGRAM TOTAL</i>			<u>54,643</u>
State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act			
	84.394	N/A	1,698,409
Total Expenditures of Federal Awards			<u><u>\$ 2,477,779</u></u>

The accompanying notes are an integral part of this schedule.

LITCHFIELD SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "schedule") includes the federal grant activity of the Litchfield School District under programs of the federal government for the year ended June 30, 2010. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the Litchfield School District, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Litchfield School District.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A- 87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

Note 3. Food Donation

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities on the date received.

Litchfield School District
Statement of Actual Expenditures for
Special Education Programs and Services

	2008 - 2009	2009 - 2010
EXPENDITURES		
Instruction	\$ 2,332,143.47	\$ 2,664,673.80
Related Services	\$ 611,292.08	\$ 629,187.99
Administration	\$ 188,024.98	\$ 193,249.77
Legal	\$ 59,225.08	\$ 11,707.13
Transportation	\$ 156,033.92	\$ 187,929.61
Total Expenditures	\$ 3,346,719.53	\$ 3,686,748.30
REVENUES		
NH Catastrophic Aid	\$ 120,851.66	\$ 137,512.75
IDEA Grant	\$ 290,141.00	\$ 296,802.11
ARRA IDEA Grant	\$ 0	\$ 129,750.76
Preschool Grant	\$ 3,475.00	\$ 9,008.91
Medicaid	\$ 103,859.73	\$ 160,908.52
Tuition	\$ 35,115.00	\$ 12,125.19
Total Revenues	\$ 553,442.39	\$ 746,108.24

Department of Special Services
Student Census of Disabilities
December 2010

DISABILITIES	IN DISTRICT	OUT OF DISTRICT	TOTAL
Hearing Impaired, Speech/Language Impairment, Visual Impairment	37	1	38
Orthopedic Impairment, Other Health Impairment, Multiple Disabilities, Autism	33	0	33
Mental Retardation, Developmental Delay	21	1	22
Learning Disabilities	40	1	41
Emotional Disturbance	2	4	6
TOTAL	133	7	140

SCHOOL BUDGET FORM

BUDGET FORM FOR SCHOOL DISTRICTS WHICH HAVE ADOPTED THE PROVISIONS OF RSA 32:14 THROUGH 32:24

OF: Litchfield

NH

Appropriations and Estimates of Revenue for the Fiscal Year From July 1, 2011 to June 30, 2012

IMPORTANT:

Please read RSA 32:5 applicable to all municipalities.

1. Use this form to list ALL APPROPRIATIONS in the appropriate recommended and not recommended area. This means the operating budget and all special and individual warrant articles must be posted.

2. Hold at least one public hearing on this budget.

3. When completed, a copy of the budget must be posted with the warrant. Another copy must be placed on file with the school clerk, and a copy sent to the Department of Revenue Administration at the address below within 20 days after the meeting.

This form was posted with the warrant on (Date): JANUARY 29, 2011

BUDGET COMMITTEE

Please sign in ink.

Under penalties of perjury, I declare that I have examined the information contained in this form and to the best of my belief it is true, correct and complete.

Paul D. Parker
Elizabeth A. Miller
Raymond C. Roy
Frank A. Lyon

[Signature]
[Signature]

THIS BUDGET SHALL BE POSTED WITH THE SCHOOL WARRANT

FOR DRA USE ONLY

NH DEPARTMENT OF REVENUE ADMINISTRATION
 MUNICIPAL SERVICES DIVISION
 P.O. BOX 487, CONCORD, NH 03302-0487
 (603)271-3397

1	2	3	4	5	6	7	8	9
Acct.#	PURPOSE OF APPROPRIATIONS (RSA 323-V)	OP Bud. WARR ART.#	Expenditures for Year 7/1/09 to 6/30/10	Appropriations Current Year as Approved by DRA	School Board's Appropriations		Budget Committee's Approp.	
					RECOMMENDED	NOT RECOMMENDED	RECOMMENDED	NOT RECOMMENDED
INSTRUCTION (1000-1999)								
1100-1199	Regular Programs	1	7,623,817.67	7,896,020.00	7,980,814.00		7,979,945.00	869.00
1200-1299	Special Programs	1	2,350,662.44	2,530,068.00	2,097,804.00		1,997,804.00	100,000.00
1300-1399	Vocational Programs	1	24,663.59	27,040.00	27,040.00		27,040.00	
1400-1499	Other Programs	1	423,615.43	438,448.00	423,187.00		423,187.00	
1500-1599	Non-Public Programs	1	36,091.85	69,000.00	82,230.00		82,230.00	
1600-1699	Adult & Community Programs	1	17,143.96	25,559.00	1.00		1.00	
SUPPORT SERVICES (2000-2999)								
2000-2199	Student Support Services	1	1,445,498.88	1,470,592.00	1,400,552.00		1,399,077.00	1,475.00
2200-2299	Instructional Staff Services	1	577,404.13	478,516.00	465,365.00		465,365.00	
General Administration								
2310-2310	School Board Contingency							
2310-2319	Other School Board	1	118,074.58	100,033.00	103,756.00		103,756.00	
Executive Administration								
2320-2310	SAU Management Services							
2320-2399	All Other Administration	1	461,708.13	533,026.00	519,779.00		519,779.00	
2400-2499	School Administration Service	1	1,163,051.47	1,189,663.00	1,096,271.00		1,096,271.00	
2500-2599	Business	1	304,455.20	286,491.00	285,073.00		285,073.00	
2600-2699	Operation & Maintenance of Plant	1	1,987,732.32	2,009,491.00	1,830,284.00		1,830,284.00	
2700-2799	Student Transportation	1	720,316.59	778,867.00	786,780.00		786,780.00	
2800-2899	Support Service Central & Other	1	502,438.13	266,176.00	448,673.00		393,525.00	55,148.00
3000-3999	NON-INSTRUCTIONAL SERVICES							
4000-4999	FACILITIES ACQUISITIONS & CONSTRUCTION	1	338,510.39	234,963.00	120,072.00		120,072.00	

MS-27

Budget - School District of Litchfield, NH

FY 2012

1 2 3 4 5 6 7 8 9

Acct.#	PURPOSE OF APPROPRIATIONS (RSA 32:3-V)				School Board's Appropriations Ensuing Fiscal Year		Budget Committee's Approp. Ensuing Fiscal Year	
	OP Bud WARR. ART.#	Expenditures for Year 7/1/09 to 8/30/10	Appropriations Current Year As Approved by DRA		RECOMMENDED	NOT RECOMMENDED	RECOMMENDED	NOT RECOMMENDED

OTHER OUTLAYS (5000-5999)

5110	Debt Service - Principal	1	800,000.00	800,000.00	800,000.00	800,000.00		800,000.00	
5120	Debt Service - Interest	1	235,462.45	193,463.00	151,463.00	151,463.00		151,463.00	

FUND TRANSFERS

5220-5221	To Food Service	1	558,731.53	605,128.00	591,611.00	591,611.00		591,611.00	
5222-5229	To Other Special Revenue	1	699,722.56	770,957.00	600,000.00	600,000.00		600,000.00	
5230-5239	To Capital Projects								
5251	To Capital Reserves (page 4)								
5252	To Expendable Trust (page 4)	1	50,000.00						
5253	To Non-Expendable Trusts								
5254	To Agency Funds								
5300-5399	Intergovernmental Agency Alloc.								
	SUPPLEMENTAL								
	DEFICIT								
	Operating Budget Total	1	20,339,101.30	20,703,501.00	19,810,755.00	19,810,755.00		19,653,263.00	157,492.00

SPECIAL WARRANT ARTICLES

1 2 3 4 5 6 7 8 9

♦♦INDIVIDUAL WARRANT ARTICLES♦♦

"individual" warrant articles are not necessarily the same as "special warrant articles". Examples of individual warrant articles might be: 1) Negotiated cost items for labor agreements; 2) Leases; 3) Supplemental appropriations for the current year for which funding is already available; or 4) Deficit appropriations for the current year which must be funded through taxation.

MS-27
Rev. 07/07

1	2	3	4	5	6
Acct.#	SOURCE OF REVENUE	WARR. ART.#	Revised Revenues Current Year	School Board Estimated Revenues	Budget Committee Estimated Revenues
REVENUE FROM LOCAL SOURCES			XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
1300-1349	Tuition		15,000.00	15,000.00	15,000.00
1400-1449	Transportation Fees		6,000.00	6,000.00	6,000.00
1500-1599	Earnings on Investments		8,000.00	8,300.00	8,300.00
1600-1699	Food Service Sales		503,328.00	481,111.00	481,111.00
1700-1799	Student Activities		69,000.00	82,230.00	82,230.00
1800-1899	Community Services Activities		18,900.00	0.00	0.00
1900-1999	Other Local Sources		7,000.00	476,963.00	476,963.00
REVENUE FROM STATE SOURCES			XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
3210	School Building Aid		260,787.00	260,787.00	260,787.00
3220	Kindergarten Aid		204,236.00	204,236.00	204,236.00
3230	Catastrophic Aid		214,385.00	130,000.00	130,000.00
3240-3249	Vocational Aid		2,000.00	2,000.00	2,000.00
3250	Adult Education				
3260	Child Nutrition		6,640.00	5,950.00	5,950.00
3270	Driver Education		0.00	18,000.00	18,000.00
3290-3299	Other State Sources				
REVENUE FROM FEDERAL SOURCES			XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
4100-4539	Federal Program Grants		320,957.00	483,166.00	483,166.00
4540	Vocational Education				
4550	Adult Education				
4560	Child Nutrition		95,160.00	104,250.00	104,250.00
4570	Disabilities Programs		450,000.00	290,000.00	290,000.00
4580	Medicaid Distribution		60,000.00	60,000.00	60,000.00
4590-4999	Other Federal Sources (except 4810)				
4810	Federal Forest Reserve				
OTHER FINANCING SOURCES			XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
5110-5139	Sale of Bonds or Notes				
5221	Transfer from Food Service-Spec.Rev.Fund				
5222	Transfer from Other Special Revenue Funds				
5230	Transfer from Capital Project Funds				
5251	Transfer from Capital Reserve Funds				

1	2	3	4	5	6
Acct#	SOURCE OF REVENUE	WARR. ART#	Revised Revenues Current Year	School Board Estimated Revenues	Budget Committee Estimated Revenues
OTHER FINANCING SOURCES CONT.			XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
5252	Transfer from Expendable Trust Funds				
5253	Transfer from Non-Expendable Trust Funds				
5300-5690	Other Financing Sources				
5140	This Section for Calculation of RAN's (Reimbursement Anticipation Notes) Per RSA 198:20-D for Catastrophic Aid Borrowing RAN, Revenue This FY _____ less RAN, Revenue Last FY _____ =NET RAN				
	Supplemental Appropriation (Contra)				
	Voted From Fund Balance				
	Fund Balance to Reduce Taxes		370,565.00	456,313.00	456,313.00
	Total Estimated Revenue & Credits		2,611,958.00	3,084,306.00	3,084,306.00

BUDGET SUMMARY

	Current Year Adopted Budget	School Board	Budget Committee
Operating Budget Appropriations Recommended (from page 3)	20,703,501.00	19,810,755.00	19,653,263.00
Special Warrant Articles Recommended (from page 4)	0.00	0.00	0.00
Individual Warrant Articles Recommended (from page 4)	0.00	38,547.88	38,547.88
TOTAL Appropriations Recommended	20,703,501.00	19,849,302.88	19,691,810.88
Less: Amount of Estimated Revenues & Credits (from above)	2,611,958.00	3,084,306.00	3,084,306.00
Less: Amount of State Education Tax/Grant	6,147,683.00	4,003,260.00	4,003,260.00
Estimated Amount of Local Taxes to be Raised For Education	11,943,860.00	12,761,736.88	12,604,244.88

Maximum Allowable Increase to Budget Committee's Recommended Budget per RSA 32:18: 1,874,035.65
 (See Supplemental Schedule With 10% Calculation)

BUDGET COMMITTEE SUPPLEMENTAL SCHEDULE
(For Calculating 10% Maximum Increase)
(RSA 32:18, 19, & 32:21)

VERSION #1: Use If you have no Collective Bargaining Cost Items or RSA 32:21 Water Costs

LOCAL GOVERNMENTAL UNIT: Litchfield School District FISCAL YEAR END 6/30/2012

	RECOMMENDED AMOUNT
1. Total RECOMMENDED by Budget Comm. (See Posted Budget MS7, 27, or 37)	\$19,691,811
LESS EXCLUSIONS:	
2. Principal: Long-Term Bonds & Notes	(800,000)
3. Interest: Long-Term Bonds & Notes	(151,463)
4. Capital Outlays Funded From Long-Term Bonds & Notes per RSA 33:8 & 33:7-b.	0
5. Mandatory Assessments	0
6. Total exclusions (Sum of rows 2 - 5)	< 951,463 >
7. Amount recommended less recommended exclusion amounts (line 1 less line 6)	\$18,740,348
8. Line 7 times 10%	\$1,874,035
9. Maximum Allowable Appropriations (lines 1 + 8)	\$21,565,846

Line 8 is the maximum allowable increase to budget committee's recommended budget. Please enter this amount on the bottom of the posted budget form, MS7, 27, or 37.

Please attach a copy of this completed supplemental schedule to the back of the budget form.

DEFAULT BUDGET OF THE SCHOOL

OF: LITCHFIELD, NH

Fiscal Year From July 1, 2011 to June 30, 2012

RSA 40:13, IX (b) "Default budget" as used in this subdivision means the amount of the same appropriations as contained in the operating budget authorized for the previous year, reduced and increased, as the case may be, by debt service, contracts, and other obligations previously incurred or mandated by law, and reduced by one-time expenditures contained in the operating budget. For the purposes of this paragraph, one-time expenditures shall be appropriations not likely to recur in the succeeding budget, as determined by the governing body, unless the provisions of RSA 40:14-b are adopted, of the local political subdivision.

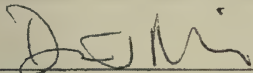
1. Use this form to list the default budget calculation in the appropriate columns.
2. Post this form or any amended version with proposed operating budget (MS-26 or MS-27) and the warrant.
3. Per RSA 40:13, XI, (a), the default budget shall be disclosed at the first budget hearing.

SCHOOL BOARD

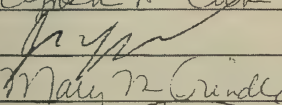
or

Budget Committee if RSA 40:14-b is adopted

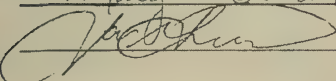
Under penalties of perjury, I declare that I have examined the information contained in this form and to the best of my belief it is true, correct and complete.



 Denise A. Cook



 Mary M. Grindle



NH DEPARTMENT OF REVENUE ADMINISTRATION
 MUNICIPAL SERVICES DIVISION
 P.O. BOX 487, CONCORD, NH 03302-0487
 (603)271-3397

MS-DS
 Rev. 10/10

Default Budget - School District of Litchfield, NH FY2012

1	2	3	4	5	6
Acct.#	PURPOSE OF APPROPRIATIONS (RSA 32:3,V)	Prior Year Adopted Operating Budget	Reductions & Increases	Minus 1-Time Appropriations	DEFAULT BUDGET
INSTRUCTION					
1100-1199	Regular Programs	7,896,020	341,459.91	(1,500.00)	8,235,980
1200-1299	Special Programs	2,530,068	(177,850.40)	(7,680.00)	2,344,538
1300-1399	Vocational Programs	27,040	0.17		27,040
1400-1499	Other Programs	438,448	(6,884.89)		431,563
1500-1599	Non-Public Programs	69,000	13,229.94		82,230
1600-1699	Adult/Continuing Ed. Programs	25,559	(25,559.28)		0
1700-1799	Community/Jr.College Ed. Programs				0
1800-1899	Community Service Programs				0
SUPPORT SERVICES (2000-2999)					
2000-2199	Student Support Services	1,470,592	54,340.06		1,524,932
2200-2299	Instructional Staff Services	478,516	37,302.00		515,818
GENERAL ADMINISTRATION					
2310 840	School Board Contingency				0
2310-2319	Other School Board	100,033	(433.90)		99,600
EXECUTIVE ADMINISTRATION					
2320-310	SAU Management Services				0
2320-2399	All Other Administration	533,026	13,140.92		546,167
2400-2499	School Administration Service	1,189,663	46,243.08		1,235,908
2500-2599	Business	286,491	(43.30)		286,447
2600-2699	Operation & Maintenance of Plant	2,009,491	(60,400.81)		1,949,091
2700-2799	Student Transportation	778,867	7,913.02		786,780
2800-2999	Support Service Central & Other	266,176	188,085.54		454,261
NON-INSTRUCTIONAL SERVICES					
3100	Food Service Operations				0
3200	Enterprise Operations				0
FACILITIES ACQUISITION AND CONSTRUCTION					
4100	Site Acquisition				0
4200	Site Improvement	9,000	(5,162.00)		3,838
4300	Architectural/Engineering	10,000	(10,000.00)		0
4400	Educational Specification Develop.				0
4500	Building Acquisition/Construction				0
4600	Building Improvement Services	215,963	(16,568.00)	(87,000.00)	112,395
4900	Other Facilities Acquisition and Construction Services				0

MS-DS
Rev. 10/10

Default Budget - School District of Litchfield, NH FY 2012

1	2	3	4	5	6
Acct.#	PURPOSE OF APPROPRIATIONS (RSA 32:3,V)	Prior Year Adopted Operating Budget	Reductions & Increases	Minus 1-Time Appropriations	DEFAULT BUDGET
OTHER OUTLAYS (5000-5999)					
5110	Debt Service - Principal	800,000			800,000
5120	Debt Service - Interest	193,463	(42,000.00)		151,463
FUND TRANSFERS					
5220-5221	To Food Service	605,128	(13,517.00)		591,611
5222-5229	To Other Special Revenue	770,957	(170,957.00)		600,000
5230-5239	To Capital Projects				0
5254	To Agency Funds				0
5300-5399	Intergovernmental Agency Alloc.				0
	SUPPLEMENTAL				0
	DEFICIT				0
	TOTAL	20,703,501	172,338	(96,180)	20,779,659

Please use the box below to explain increases or reductions in columns 4 & 5.

Acct #	Explanation for Increases	Acct #	Explanation for Reductions
1100-1199	Contracted and scheduled salary increases. Increased benefit costs.	1100-1199	Reduction in staff. New equipment.
1500-1599	Increase in self-funded programs.	1200-1299	Reduction in Staff, SPED services and tuition. New equipment.
2000-2199	Contracted and scheduled salary increases. Increased benefit costs. Increase in tuition costs.	1400-1499	Reduction in athletic officials and transportation.
2200-2299	Contracted and scheduled salary increases. Increased benefit costs.	1600-1699	Elimination of adult education program
2320-2399	Increased benefit costs.	2310-2319	Decrease in audit services.
2400-2499	Increased benefit costs.	2600-2699	Reduction in energy and building repairs.
2700-2799	Increase in contracted prices.	4200	One-time repairs
2800-2999	Increase in new data communications and support contracts. Increase in unemployment and benefit costs.	4300	One-time geotechnical consulting.
		4600	One-time building improvements. Reduction in building repairs.
		5120	Reduction in bond interest.
		5220-5221	Reduction costs due to fewer students.
		5222-5229	Reduction in federal ARRA grants

Office of the Superintendent of Schools

1 Highlander Court
Litchfield, NH 03052
578-3570

Elaine F. Cutler, Ed. D, Superintendent
Stephen Martin, Business Administrator
Julie Heon, Director Curriculum and Instruction
Deb Mahoney, Director Human Resources
Ronda Gregg, Director Special Services
Kyle Hancock, Director of Technology
Hilda Lawrence, Director Food Service

Griffin Memorial School

229 Charles Bancroft Highway
Litchfield, NH 03052
424-5931

Martin Schlichter, Principal
Stacy Maghakian, Assistant Principal

Litchfield Middle School

19 McElwain Drive
Litchfield, NH 03052
424-2133

Tom Lecklider, Principal
Kerry Finnegan, Assistant Principal

Campbell High School

1 Highlander Court
Litchfield, NH 03052
546-0300

Robert Manseau, Principal
Laurie Rothhaus, Assistant Principal

EMERGENCY TELEPHONE NUMBERS

Ambulance.....	911
Fire.....	911
Police.....	911

BUSINESS TELEPHONE NUMBERS

Animal Control.....	424-4047
Building Inspector.....	424-4592
Planning Board.....	424-2131
Police Chief.....	424-4047
Public Library.....	424-4044
Selectmen.....	424-4046
Town Clerk & Tax Collector.....	424-4045
Fire-Non Emergency.....	424-8071

-OFFICE HOURS-

Selectmen's Office.....	Town Hall
Monday-Friday 8:00a.m. to 4:00p.m.	
Town Clerk & Tax Collector.....	Town Hall
Monday 10:00a.m. to 6:00p.m.	
Tuesday-Friday 7:30a.m. to 3:00p.m.	

Building Department.....	Town Hall
Monday-Friday 8:00a.m. to 4:00p.m.	

Public Library.....	
Monday-Closed; Tuesday, Wednesday, Thursday-10:00a.m. to 8:00p.m.	
Friday-10:00a.m. to 6:00p.m.; Saturday-9:00a.m. to 12:00p.m.	
No Saturday hours during the months of July & August	
Closed Holidays	

Solid Waste Facility Hours.....	
Sunday-9:00a.m. to Noon-Brush & Landfill Only	
Wednesday-3:00p.m. to 7:00p.m.; Thursday-7:00a.m. to Noon	
Saturday-7:00a.m. to 4:00p.m.; Friday-4:00p.m. to 8:00p.m.	

-PUBLIC MEETINGS-

Selectmen.....	Town Hall
2 nd and 4 th Monday of the month at 7:00p.m.	
Planning Board.....	Town Hall
1 st and 3 rd Tuesday of the month at 7:00p.m.	
Zoning Board of Adjustment.....	Town Hall
2 nd Wednesday of the month at 7:00p.m.	
Library Trustees.....	Library
2 nd Monday of the month at 7:00p.m.	
Conservation Commission.....	Town Hall
1 st Thursday of the month at 7:00p.m.	